

**ROCKVILLE HOUSING ENTERPRISES  
BOARD OF COMMISSIONERS MEETING  
REGULAR MEETING**

**Rockville Housing Enterprises – Administrative Offices  
621 A Southlawn Ln  
ROCKVILLE, MARYLAND 20850**

**Wednesday, February 22, 2017**

**Agenda**

- 6:30 p.m.      1. Consent Items: (T-1)**
- 7:15 p.m.      3. Citizens Forum:**
- 7:25 p.m.      4. Information Exchange:**  
    **Executive Director's Report (T-2)**  
    **Finance Reports (T-3)**
  - **Asset Management (T-4)**
  - **HCV Report (T-5)**
  - **Fireside Park Report (T-6)**
- 7:50 p.m.      5. City of Rockville Report -**
- 8:00 p.m.      6. Action & Discussion Items: (T-7)**
  - **Ethics Policy Updates**
  - **Internal Control Policy Updates**
  - **Annual Election of Officers**
  - **Executive Session – Personnel Discussion**
- 8:30 p.m.      7. Commissioners Comments:**
- 9:00 p.m.      8. Adjourn**

1. Individuals needing special accommodations to fully participate in this meeting, call the RHE office (301) 424-6265
2. This Agenda is subject to change without notice.
3. Times are approximate and may vary depending on length of discussion.
4. Public participation is permitted on Agenda Items in the same manner as if the Agency were holding a legislative-type Public Hearing.

5. Pursuant to The Open Meeting Act (3-302(b)(3)); all or part of any of the above noticed meetings may be held in executive session.

# TAB 1

**January 18 2017**

**RHE Board Meeting**

**Minutes**

**Rockville Housing Enterprises  
Board of Commissioners Meeting  
January 18, 2017**

The Board of Commissioners for Rockville Housing Enterprises met in Regular Session on January 18, 2017 at the main office, 621A Southlawn Ln, Rockville MD 20850.

**Present**

Vice Chair Edward Duffy  
Commissioner Marr  
Commissioner Kenric Brooks  
Commissioner Defino

**Absent**

Chair Rae Canizares, excused absence  
Commissioner Steven Marr, excused absence

**In Attendance**

Ms. Jessica Anderson, Executive Director  
Ms. Meta Lim, Manager of Assisted Housing  
Ms. Stephanie Bonilla, Board Clerk  
Ms. Virginia Onley, Council Member City of Rockville  
Mr. Mark Pierzchala, Council Member City of Rockville

**6:51 PM Call to Order**

Vice Chair Duffy called the Rockville Housing Board of Commissioners Meeting to Order.

**6:56 PM Consent Items**

Vice Chair Duffy noted the first item on the agenda is the approval of December 2016 meeting minutes. Commissioner Defino requested the December meeting minutes be amended to accurately reflect her suggestion. Executive Director Anderson confirmed with Commissioner Defino the amendments were satisfactory. Commissioner Defino moved to approve the minutes with amendments, Commissioner Brooks second the motion; Vice Chair Duffy Commissioner Brooks and Commissioner Defino voted aye.

**6:57 PM Citizens Forum**

No city citizens were present.

**6:57 PM City of Rockville Report**

Council Member Pierzchala announced the city is looking into donating a surplus van from the city fleet to RHE.



## **6:58 PM Information Exchange**

Executive Director Anderson presented her report as follows:

### **Activities during the month of December 2017**

#### Meetings/Activities

- Participated in the monthly Fireside Park Owner's meeting on December 21, 2016
- In House HUD Capital Fund Training held on December 5, 2016
- Staff Holiday Meeting was Held on December 22, 2016

#### Upcoming Activities

- The David Scull Holiday celebration was held on December 15, 2016.
- Santa Clause visited David Scull on December 21, 2016.
- RHE Volunteer appreciation was held on January 7, 2017 at noon at David Scull. Due to the snowy weather, the event will be held again in the spring or summer.

#### Financial Management

- Pre on-site audit submissions to the auditors have begun. The auditors are scheduled for the first week in February for RHE and Fireside. The RELP audit is currently underway.

#### Asset Management December 2016 ( See TAB 4 and TAB 6 of Board Report)

- PH Occupancy is 97% (105 units)
  - 507 Bickford burn unit – RHE has secured an experienced architect/construction manager to oversee the rebuild. Anticipated construction start to begin in January.
  - Public Housing Waiting list will be opening for 3 & 4 bedroom sizes January 23-27. It has been advertised in the Sentinel, Department of Health and Human Services, HOC, public library in Town Center and other RHE community partners and on the RHE website.
- RELP One. Occupancy is 94% (56 units)
- RHEP Occupancy is 100% (4 units)
- Fireside Occupancy is 89% (236 units)

#### Housing Choice Voucher Program (HCVP) Management

- HCV Program voucher units leased for the month ending December 2016 was 91.6% and calendar year to date in December 2016 was 101.42%. HCV Program budget utilization for the month ending December was 157% and calendar year to date in December was 95.98%. Please note HUD reduced the December HAP funding from an average of \$415,000 to \$285,556. The reduction was to make up for overfunding of HAP in May 2016 of \$717,118.
- The 50 unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 100% leased.

- The 5 unit Moderate Rehabilitation Single Room Occupancy (SRO) program for which funds are allocated dollar for dollar based on utilization is 100% leased.

#### **Fireside Park**

- Occupancy at Fireside Park as of December 31, 2016 was 89%.
- A meeting with Columbia Bank is schedule for January 13, 2017 to finalize the terms of the predevelopment funding.
- The Request for Proposals for property management is currently being advertised. Proposals are due February 10, 2017.

#### **Resident Services Department**

##### **Family Self Sufficiency (FSS) December 2016**

- 25 PH Participants
- 44 HCV Participants

Commissioner Defino inquired how the meeting with Columbia Bank regarding the Fireside Line of credit went. Executive Director Anderson informed the board the meeting with the bank went well, the bank representatives will be going to committee next week with RHE's requests.

Commissioner Defino shared with the Board a link to Fireside Park Apartments on the RHE website is not working. Executive Director Anderson agreed to have RHE's webmaster look into the issue.

#### **7:10 PM Action and Discussion Items**

REL Tenant Account Receivables Write Offs FYE 2016 totaling in the amount of \$8552.42 were presented to the board.

Commissioner Brooks moved to approve the RELP write offs, Commissioner Defino second the motion. Vice Chair Duffy, Commissioner Brooks and Commissioner Defino all vote aye.

#### **7:14 PM Commissioner Comments**

Commissioner Defino suggests the board look into having call in options for attending board meetings for commissioners that may be out of town for scheduled board meetings.

#### **7:16 PM Adjourn**

There being no further business to come before the Board of Commissioners at this time, Vice Chair Duffy called for a motion to adjourn. A motion to adjourn was offered by Commissioner Brooks, Commissioner Defino second the motion. All present voted aye.

**February 2 2017**

**RHE Board Meeting**

**Minutes**

**Rockville Housing Enterprises  
Board of Commissioners Meeting  
February 2, 2017**

The Board of Commissioners for Rockville Housing Enterprises met in Special Session on February 2, 2017 at the main office, 621A Southlawn Ln, Rockville MD 20850.

**Present**

Vice Chair Edward Duffy  
Commissioner Steven Marr  
Commissioner Kenric Brooks  
Commissioner Defino  
Chair Rae Canizares

**In Attendance**

Ms. Jessica Anderson, Executive Director  
Ms. Virginia Onley, Council Member City of Rockville  
Ms. Asmara Habte, Chief of Housing Programs, City of Rockville  
Mr. Robert Di Spirito, City Manager, City of Rockville

**7:10 PM Call to Order**

Chair Canizares called the Rockville Housing Board of Commissioners Meeting to Order.

**7:10 PM Introduction of New City Manager – Lincoln Park Property**

The new City Manager for the City of Rockville, Mr. Robert Di Spirito introduced himself. It was noted there is a house in the Lincoln Park community that was recently purchased by the City of Rockville. The City would like to donate the house to RHE to be used as affordable housing. Director Anderson noted RHE will look into how RHE can best make use of the house. It was suggested by the City the Lincoln Park house be used as a replacement for the burned unit at 507 Bickford. Mr. Di Spirito noted his commitment to affordable housing.

**7:30 507 Bickford – Rebuild vs. Rehab Cost**

Director Anderson presented the final rebuild costs verses the cost to rehabilitation. Director Anderson presented to the Board the cost to rebuild is not in the RHE Budget and it would be more economically efficient to move forward with the full gut rehabilitation which costs would be fully covered by the insurance. The lowest most responsible bidder was ServePro.

Commissioner Canizares asked for a motion to approve the rehabilitation method with ServePro as the contractor. Commissioner Brooks presented the motion, Commissioner Duffy seconded the motion; all present voted aye.

**7:55 PM Adjourn for Executive Session**

Commissioner Canizares asked for a motion adjourn the regular session and enter into executive session to discuss personnel issues under Article 3-305(b) (1) of the Open Meetings Act. Commissioner Duffy presented the motion, Commissioner Brooks seconded the motion; all present voted aye.

**9:00 PM Adjourn Executive Session; Reconvene Regular Session**

Commissioner Defino offered the motion to adjourn Executive Session and reconvene the regular session. Commissioner Marr seconded the motion. All present voted aye.

Chair Canizares called for a motion to give the Executive Director the authority to offer a severance package to the personnel in discussion. Commissioner Defino presented the motion, Commissioner Brooks seconded the motion. All present voted aye.

**9:15 PM Adjourn**

There being no further business to come before the Board of Commissioners at this time, Chair Canizares called for a motion to adjourn. A motion to adjourn was offered by Commissioner Brooks, Commissioner Marr second the motion. All present voted aye.



**PRESIDING OFFICER'S WRITTEN STATEMENT FOR CLOSING A MEETING ("CLOSING STATEMENT") UNDER THE OPEN MEETINGS ACT (General Provisions Article § 3-305)**

**Instructions to presiding officer:** Numbers 1-5 are to be completed at the public meeting that the public body wishes to close. When a closing statement has been prepared in advance, the presiding officer should review it for accuracy when the members vote. The closing statement is a public record and must be available for public inspection at the time the meeting is closed. The closing statement predicts the events of the closed session, sets the limits of the discussion, and may not be changed later.

The worksheet at the end of this document is for use during and after the closed session. The worksheet provides a checklist of the disclosures to be made in the minutes of the next open session, when the public body must disclose some information about what actually happened in the closed session. The worksheet is not part of the closing statement.

1. **Recorded vote to close the meeting:** Date: 2/2/17 Time: 8:00 P.M. Location: RHE Administration 621A Southlawn NW  
Motion to close meeting made by: Ed Doherty; Seconded by Kenia Brooks; Members in favor: 5; Opposed: 0; Abstaining: N/A; Absent: N/A

2. **Citation of statutory authority to close session (check all that apply):** This meeting is being closed under General Provisions Article § 3-305(b), only:

- ☒ (1) To discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; any other personnel matter that affects one or more specific individuals;
- ☐ (2) To protect the privacy or reputation of individuals concerning a matter not related to public business;
- ☐ (3) To consider the acquisition of real property for a public purpose and matters directly related thereto;
- ☐ (4) To consider a matter that concerns the proposal for a business or industrial organization to locate, expand, or remain in the State;
- ☐ (5) To consider the investment of public funds;
- ☐ (6) To consider the marketing of public securities;
- ☐ (7) To consult with counsel to obtain legal advice on a legal matter;
- ☐ (8) To consult with staff, consultants, or other individuals about pending or potential litigation;
- ☐ (9) To conduct collective bargaining negotiations or consider matters that relate to the negotiations;
- ☐ (10) To discuss public security, if the public body determines that public discussion would constitute a risk to the public or to public security, including: (i) the deployment of fire and police services and staff; and (ii) the development and implementation of emergency plans;

(continued→ )

- \_\_\_ (11) To prepare, administer, or grade a scholastic, licensing, or qualifying examination;
- \_\_\_ (12) To conduct or discuss an investigative proceeding on actual or possible criminal conduct;
- \_\_\_ (13) To comply with a specific constitutional, statutory, or judicially imposed requirement that prevents public disclosures about a particular proceeding or matter;
- \_\_\_ (14) Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

**3. Disclosure of the topics to be discussed, for each citation checked above:**

§ 3-305(b) (1) topics : Personnel Matters relating to a specific employee

§ 3-305(b) ( ) topics : \_\_\_\_\_

§ 3-305(b) ( ) topics : \_\_\_\_\_

**4. For each topic listed in #2, disclosure of the reason for discussing it in closed session rather than in open session:**

Personnel Matter related to confidential information for a specific individual

**5. This statement is made by** Rae Canizares **, Presiding Officer.**

**WORKSHEET FOR OPTIONAL USE IN CLOSED SESSION: INFORMATION THAT MUST BE DISCLOSED IN THE MINUTES OF THE NEXT OPEN MEETING (§ 3-306)**

Time of closed session: 7:55 Place: 621 A Southlawn LN

Purpose: 3-305(b) (7)

Members who voted to meet in the closed session: Duffy, Defino, Brooks, Marr, Canizares

Persons attending closed session: Duffy, Defino, Brooks, Marr, Canizares, Anderson

Authority under § 3-305 for the closed session: (b) 1

Topics actually discussed: Personnel Matters related to employment of a specific person

Actions taken: None Each recorded vote: \_\_\_\_\_

**For a meeting closed only to perform an administrative function (§ 3-104):**

Time: \_\_\_\_\_ Place: \_\_\_\_\_ Persons present: \_\_\_\_\_

Subject matter discussed: \_\_\_\_\_

(form revised 10/1/2014)

# Tab 2

**Rockville Housing Enterprises  
Executive Director's Report  
As of February 15, 2017**

**Activities during the month of January 2017**

Meetings/Activities

- Participated in the monthly Fireside Park Owner's meeting on January 18, 2016
- Held Annual Volunteer Appreciation on January 7, 2017
- Public Housing Waiting List was opened for 3 and 4 bedroom units the week of January 23, 2017

Upcoming Activities

- Tax Preparation Services will be provided at the RHE Offices on February 18, 2017, March 4, 2017 and March 11, 2017

Personnel Matters

- One employee resigned in February. The position will be filled with an internal candidate.

Financial Management

- The RHE annual single audit was held the week of February 6, 2017. During the audit exit interview we were informed that there will be no findings for the audit for the fiscal year ending September 30, 2016. RHE staff worked very diligent throughout the year to achieve a no finding audit result.

Asset Management January 2017 ( See TAB 4 and TAB 6 of Board Report)

- PH Occupancy is 98% (105 units)
  - 507 Bickford burn unit – RHE is ready to move forward with the rehabilitation however, the City of Rockville has asked we delay starting because the City would like for RHE to forgo rehabbing the unit and replacing it with a house the city purchased in Lincoln Park. RHE will not be able to delay moving forward with remediation for long. The longer the unit stays vacant the less operating subsidy RHE will receive.
  - Public Housing Waiting list was opened for 3 & 4 bedroom sizes January 23-27. RHE received 68 applications for the 4 BR and 494 applications for the 3 BR.
- RELP One. Occupancy is 94% (56 units)
- RHEP Occupancy is 75% (4 units)
- Fireside Occupancy is 86% (236 units)

Housing Choice Voucher Program (HCVP) Management

**January 2017**

- HCV Program voucher units leased for the month ending January 2017 was 99.72% and calendar year to date in January 2017 was 99.71%. HCV Program budget



utilization for the month ending December was 91.74 and calendar year to date in January 2017 was 91.74%.

- The 50 unit Mainstream Disabled Voucher program for which funds are allocated dollar for dollar based on utilization is 98% leased.
- The 5 unit Moderate Rehabilitation Single Room Occupancy (SRO) program for which funds are allocated dollar for dollar based on utilization is 100% leased.

#### Fireside Park

- Occupancy at Fireside Park as of January 2017 was 86%.
- The predevelopment funding for the Fireside Park was approved. Management is in the process of reviewing the line of credit documents.
- The Request for Prop osals for property management is currently being advertised. Proposals are due February 10, 2017. The current property manager Humphrey Management has declined to submit a proposal.

#### Resident Services Department

As of February 14, 2017

26	Public Housing FSS Participants	40	HCV FSS Participants
4	Possible contract extensions	1	Contract extension
2	Exiting	7	Exiting
1	PH FSS slot opening		

#### Activities Held

January 6, 13, 20, 27- Nourish Now Food Distribution

January 7- Award Celebration for our volunteers

January 28- Vision Board Workshop

Tax preparation has been scheduled for February 18<sup>th</sup>. For all participants in Public Housing, Housing Choice Voucher Program, and RELP.



# TAB 3

**Rockville Housing Enterprises**  
**Monthly Financial Statement Review**

**Month Ending January 2017**

**Public Housing Program (PH) (108 PH Units)**

The Net Income on the PH Cash Flow Report indicates a positive \$11,768.32 for the month ending January 2017 and a negative (\$4,820.54) year to date. It is anticipated PH will achieve positive cash flows for the year to date with the month ending February. During the month of January, the quarterly water sewer payment was made in the amount of \$18,426.97.

**Housing Choice Voucher (HCV) Program (359 Regular Vouchers ; 50 Mainstream Vouchers)**

The Administrative (UNA) Unrestricted Net Asset Cash Flow Report indicates a negative Net Operating Income (NOI) of (\$36,378.63) for the month ending January 2017 and a negative NOI of (\$51,539.24) year to date. The negative NOI is due to HCV Contributions for January 2017 being deposited in December 2016. Therefore the January cash flow statement does not reflect any HUD payments received in the month of January.

The Housing Assistance Payments (HAP) Net Restricted Asset (NRA) Cash Flow Statement, Indicates a negative NOI of (\$326,845.51) for the month of January and a positive year to date NOI of \$145,325.11. HCV negative NOI is due a decrease in HAP contributions, January 2017 HAP Contributions were deposited in December 2016. Therefore the January cash flow statement does not reflect any HUD payments received in the month of January.

**Mod Rehab Program (5 Mod Vouchers)**

The Mod Rehab Program has a NOI of negative (\$3,121.00) for the month ending January 2017 and a year to date positive NOI of \$2,210.00. The negative NOI is due to January 2017 HAP Contributions being deposited in December 2016. Therefore the January cash flow statement does not reflect any HUD payments received in the month of January.

**RELP – (56 Low Income Housing Tax Credit Units)**

The Income Statement for the month ending January 2017 indicates a positive NOI of \$25,539.97 and a positive NOI of \$25,539.97 for the year.

**RHE Properties (4 – Affordable Units)**

The Income Statement for the month ending January 2017 indicates a positive NOI of (\$943.04) for the month ending January and a year to date negative NOI of (\$943.04). There is a loss of income due to vacancy additionally the interest expense increased.

**RHE Corp/Dev (RHE-RELP General Partner/Account for non-federal funds)**

The cash basis net income is for year to date for month of January is a negative (\$398.96). The cash basis net income is for year to date is a negative NOI of (\$398.96). This entity does not received regular income.





Public Housing  
Financial Report  
Month ending January 2017

RHE - PUBLIC HOUSING 2017  
Admin Cash Flow  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
1111.01	RENTAL RECEIPTS	\$ 55,764.85	\$ 193,968.11
2500.15	FSS GRANT - 2015	2,372.00	9,117.00
2501.15	ROSS GRANT-2015	4,760.00	17,466.00
3120.00	EXCESS UTILITIES	1,405.45	10,016.82
3120.01	NSF FEES	-	20.00
3610.00	INTEREST REVENUE - INVESTMENTS	-	3.84
3690.00	OTHER INCOME	330.00	1,692.32
3690.01	LATE CHARGES	673.75	2,672.10
3690.09	PROPERTY MGMT FEE	6,226.48	25,335.40
3690.10	MAINTENANCE FEES	1,632.78	4,628.80
3690.16	CAPITAL FUND OPER-2015	8,662.82	8,662.82
8020.00	OPERATING SUBSIDY	42,208.00	175,591.00
	Total Revenues	124,036.13	449,174.21
	Gross Profit	124,036.13	449,174.21
Expenses			
4110.00	ADMINSTRATIVE SALARIES	25,883.16	114,160.25
4110.03	MERIT AWARD	-	250.00
4110.05	SALARIES - FSS GRANT	1,709.22	7,691.50
4110.06	SALARIES - ROSS GRANT	3,076.93	13,846.20
4120.00	RESIDENT SERVICES	313.70	313.70
4130.00	LEGAL EXPENSE	1,058.37	4,451.05
4140.00	STAFF TRAINING	101.60	3,676.32
4150.00	TRAVEL	20.00	20.00
4167.00	OTHER CONSULTANTS	2,271.00	12,555.35
4170.04	PAYROLL SERVICES	758.39	2,440.45
4180.00	OFFICE RENT	4,299.60	17,198.40
4180.01	OFFICE UTILITIES	590.16	2,066.83
4190.00	SUNDRY - ADMINSTRATIVE	-	1,300.00
4190.01	BANK FEES	20.00	93.00
4190.03	TELEPHONE EXPENSES	1,247.27	4,973.54
4190.04	COMPUTER EQUIPMENT & SUPPORT	235.41	963.31
4190.05	MONTHLY ADMIN FEES	70.00	210.00
4190.07	POSTAGE	350.00	1,103.38
4190.10	OFFICE EXPENSES	436.71	2,339.43
4190.13	COPIER EXPENSES	189.00	804.30
4190.15	MEMBERSHIP DUES	-	634.00
4190.16	BANK FEES	-	153.42
4190.17	CRIMINAL RECORDS CHECK	-	125.50
4190.19	COPIER RENTAL	486.01	1,944.04
4190.20	DOCUMENT SHREDDING	91.87	338.53
4310.00	WATER	8,984.51	21,114.49
4310.01	SEWER	9,442.46	20,551.15
4320.00	ELECTRICITY	5,295.75	24,771.25
4330.00	GAS	620.71	1,893.86
4340.00	FUEL	159.09	1,217.38
4400.00	MAINTENANCE SALARIES	8,674.49	42,733.87
4420.01	JANITORIAL SUPPLIES	172.36	1,030.05
4420.02	GROUND SUPPLIES	60.16	1,084.24
4420.03	APPLIANCE SUPPLIES	-	(73.90)
4420.04	HARDWARE SUPPLIES	358.17	4,645.53
4420.05	PAINTING SUPPLIES	-	15.63
4420.06	PLUMBING SUPPLIES	13.17	1,066.97
4420.09	HTG & A/C PARTS	268.45	350.35
4420.10	APPLIANCES	1,100.00	5,059.00
4420.12	MAINTENANCE RENTAL EQUIPMENT	-	66.96
4420.16	REAL ESTATE TAXES	-	10,861.47
4430.00	CONTRACT COST	-	700.00
4430.02	MOLD HAZARD INSPECTION	-	1,500.00
4430.03	LEAD BASED PAINT INSPCT FEES	-	210.00
4430.05	ELECTRICAL EQUIPMENT	1,667.98	1,878.80
4430.06	EXTERMINATION CONTRACT	560.00	2,880.00
4430.08	PLUMBING CONTRACTS	420.00	14,431.00



		Current Month	Year to Date
4430.12	HTG & A/C REPAIRS - CONTRACT	1,226.00	2,804.00
4430.13	VEHICLE REPAIRS	142.70	2,943.30
4430.16	STORAGE	122.00	574.00
4430.18	HOTEL/EMERGENCY MAINT	-	994.33
4430.20	LEAD PAINT INSPECTION	3,210.00	3,460.00
4430.51	UNIT TURNAROUND	1,440.00	5,085.50
4431.00	GARBAGE & TRASH REMOVAL	98.56	484.40
4480.00	PROTECTIVE SERVICES	100.80	285.50
4500.00	URP EXPENSES	1,015.30	3,104.30
4540.00	EMPLOYEE BENEFITS CONTRIBUTION	13,464.18	40,322.12
4540.01	EMPLOYEE BENEFITS-FSS	431.72	1,303.62
4540.02	EMPLOYEE BENEFITS-ROSS	639.75	785.21
4590.01	MONTGOMERY GRANT ALLIANCE	-	198.08
4610.02	EXTRAORDINARY MAINTENANCE	1,821.10	18,122.79
4718.00	FSS ESCROW CONTRIBUTIONS	7,550.00	21,887.00
	Total Expenses	112,267.81	453,994.75
	Net Income	\$ 11,768.32	\$ (4,820.54)

RHE - PUBLIC HOUSING 2017  
Income Statement  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
2500.15	FSS GRANT - 2015	\$ 2,372.00	\$ 9,117.00
2501.15	ROSS GRANT-2015	4,760.00	17,466.00
3110.00	DWELLING RENTALS	46,633.00	183,187.00
3120.00	EXCESS UTILITIES	1,405.45	10,016.82
3120.01	NSF FEES	0.00	20.00
3610.00	INTEREST REVENUE - INVESTMEN	0.00	3.84
3690.00	OTHER INCOME	330.00	1,692.32
3690.01	LATE CHARGES	673.75	2,672.10
3690.09	PROPERTY MGMT FEE	6,226.48	25,335.40
3690.10	MAINTENANCE FEES	1,632.78	4,628.80
3690.16	CAPITAL FUND OPER-2015	8,662.82	8,662.82
8020.00	OPERATING SUBSIDY	42,208.00	175,591.00
	Total Revenues	114,904.28	438,393.10
	Gross Profit	114,904.28	438,393.10
Expenses			
4110.00	ADMINSTRATIVE SALARIES	25,883.16	114,160.25
4110.03	MERIT AWARD	0.00	250.00
4110.05	SALARIES - FSS GRANT	1,709.22	7,691.50
4110.06	SALARIES - ROSS GRANT	3,076.93	13,846.20
4120.00	RESIDENT SERVICES	313.70	313.70
4130.00	LEGAL EXPENSE	1,058.37	4,451.05
4140.00	STAFF TRAINING	101.60	3,676.32
4150.00	TRAVEL	20.00	20.00
4167.00	OTHER CONSULTANTS	2,271.00	12,555.35
4170.04	PAYROLL SERVICES	758.39	2,440.45
4180.00	OFFICE RENT	4,299.60	17,198.40
4180.01	OFFICE UTILITIES	590.16	2,066.83
4190.00	SUNDRY - ADMINSTRATIVE	0.00	1,300.00
4190.01	BANK FEES	20.00	93.00
4190.03	TELEPHONE EXPENSES	1,247.27	4,973.54
4190.04	COMPUTER EQUIPMENT & SUPPOR	235.41	963.31
4190.05	MONTHLY ADMIN FEES	70.00	210.00
4190.07	POSTAGE	350.00	1,103.38
4190.10	OFFICE EXPENSES	436.71	2,339.43
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4190.20	DOCUMENT SHREDDING	91.87	338.53
4310.00	WATER	8,984.51	21,114.49
4310.01	SEWER	9,442.46	20,551.15
4320.00	ELECTRICITY	5,295.75	24,771.25
4330.00	GAS	620.71	1,893.86
4340.00	FUEL	159.09	1,217.38
4400.00	MAINTENANCE SALARIES	8,674.49	42,733.87
4420.01	JANITORIAL SUPPLIES	172.36	1,030.05
4420.02	GROUPS SUPPLIES	60.16	1,084.24
4420.03	APPLIANCE SUPPLIES	0.00	(73.90)
4420.04	HARDWARE SUPPLIES	358.17	4,645.53
4420.05	PAINTING SUPPLIES	0.00	15.63
4420.06	PLUMBING SUPPLIES	13.17	1,066.97
4420.09	HTG & A/C PARTS	268.45	350.35
4420.10	APPLIANCES	1,100.00	5,059.00
4420.12	MAINTENANCE RENTAL EQUIPME	0.00	66.96
4420.16	REAL ESTATE TAXES	0.00	10,861.47

For Management Purposes Only

RHE - PUBLIC HOUSING 2017  
Income Statement  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
4430.00	CONTRACT COST	0.00	700.00
4430.02	MOLD HAZARD INSPECTION	0.00	1,500.00
4430.03	LEAD BASED PAINT INSPCT FEES	0.00	210.00
4430.05	ELECTRICAL EQUIPMENT	1,667.98	1,878.80
4430.06	EXTERMINATION CONTRACT	560.00	2,880.00
4430.08	PLUMBING CONTRACTS	420.00	14,431.00
4430.12	HTG & A/C REPAIRS - CONTRACT	1,226.00	2,804.00
4430.13	VEHICLE REPAIRS	142.70	2,943.30
4430.16	STORAGE	122.00	574.00
4430.18	HOTEL/EMERGENCY MAINT	0.00	994.33
4430.20	LEAD PAINT INSPECTION	3,210.00	3,460.00
4430.51	UNIT TURNAROUND	1,440.00	5,085.50
4431.00	GARBAGE & TRASH REMOVAL	98.56	484.40
4480.00	PROTECTIVE SERVICES	100.80	285.50
4500.00	URP EXPENSES	1,015.30	3,104.30
4540.00	EMPLOYEE BENEFITS CONTRIBUTI	13,464.18	40,322.12
4540.01	EMPLOYEE BENEFITS-FSS	431.72	1,303.62
4540.02	EMPLOYEE BENEFITS-ROSS	639.75	785.21
4590.01	MONTGOMERY GRANT ALLIANCE	0.00	198.08
4610.02	EXTRAORDINARY MAINTENANCE	1,821.10	18,122.79
4718.00	FSS ESCROW CONTRIBUTIONS	7,550.00	21,887.00
		<hr/>	<hr/>
	Total Expenses	112,267.81	453,994.75
		<hr/>	<hr/>
	Net Income	\$ 2,636.47	\$ (15,601.65)
		<hr/>	<hr/>

RHE - PUBLIC HOUSING  
Unrestricted Net Assets - 12 Periods  
For October 1, 2016 through September 30, 2017

	Budget	October	November	December	January	YTD	Variance
RENTAL RECEIPTS	530,000.00	49,514.29	48,050.70	40,638.27	55,764.85	193,968.11	336,031.89
FSS GRANT - 2014						-	-
FSS GRANT - 2015	28,000.00	2,392.50	2,000.00	2,352.50	2,372.00	9,117.00	18,883.00
ROSS GRANT - 2016	57,127.00	4,706.00	4,000.00	4,000.00	4,760.00	17,466.00	39,661.00
ROSS GRANT - 2016 ADMIN	5,000.00						
RELP LOAN PYMT	8,000.00					-	8,000.00
RELP ASSET MGMT FEE EARNED	24,000.00						
EXCESS UTILITIES		4,470.40	2,892.16	1,248.81	1,405.45	10,016.82	(10,016.82)
NSF FEES				20.00		20.00	(20.00)
NON DWELLING RENTAL						-	-
HUD GRANTS ROSS						-	-
INTEREST REVENUE - INVESTMENTS				3.84		3.84	(3.84)
OTHER INCOME	13,000.00	683.00	490.73	188.59	330.00	1,692.32	11,307.68
LATE CHARGES		724.95	463.20	810.20	673.75	2,672.10	(2,672.10)
PROPERTY MGMT FEE	77,100.00	6,318.04	6,496.00	6,294.88	6,226.48	25,335.40	51,764.60
MAINTENANCE FEES	17,000.00	873.19	796.36	1,326.47	1,632.78	4,628.80	12,371.20
FSS ESCROW FORFEITURES						-	-
CAPITAL FUND OPER-2015	42,946.00				8,662.82	8,662.82	34,283.18
CAPITAL FUND OPER-2016	121,637.00					-	121,637.00
CAPITAL FUND OPER-2017	132,000.00						
OTHER INCOME-BACK TO SCHOOL 2017						-	-
OPERATING SUBSIDY	505,000.00	45,704.00	44,596.00	43,083.00	42,208.00	175,591.00	329,409.00
OPERATING SUBSIDY-FIRESIDE						-	-
<b>Total Revenues</b>	<b>1,560,810.00</b>	<b>115,386.37</b>	<b>109,785.15</b>	<b>99,966.56</b>	<b>124,036.13</b>	<b>449,174.21</b>	<b>1,111,635.79</b>
<b>Gross Profit</b>	<b>1,560,810.00</b>	<b>115,386.37</b>	<b>109,785.15</b>	<b>99,966.56</b>	<b>124,036.13</b>	<b>449,174.21</b>	<b>1,111,635.79</b>
ADMINISTRATIVE SALARIES	453,529.00	22,107.11	28,406.59	37,763.39	25,883.16	114,160.25	339,368.75
MERIT AWARD	1,500.00	250.00				250.00	1,250.00
SALARIES-RELP PAID						-	-
SALARIES-FSS GRANT	23,392.00	1,709.22	1,709.22	2,563.84	1,709.22	7,691.50	15,700.50
SALARIES-ROSS GRANT	44,860.00	3,076.94	3,076.93	4,615.40	3,076.93	13,846.20	31,013.80
SALARIES-RELP MAINT	23,901.00					-	23,901.00
SALARIES-RELP MGMT	47,405.00					-	47,405.00
RESIDENT SERVICES	3,000.00				313.70	313.70	2,686.30
LEGAL EXPENSE	25,000.00	1,385.28	1,241.32	766.08	1,058.37	4,451.05	20,548.95
STAFF TRAINING	15,000.00	1,359.95		2,214.77	101.60	3,676.32	11,323.68
TRAVEL					20.00	20.00	(20.00)
SCHOLARSHIP CONTRIBUTION	500.00					-	500.00
OTHER CONSULTANTS	10,000.00	140.00	22.75	10,121.60	2,271.00	12,555.35	(2,555.35)
FEE ACCOUNTANT						-	-
OTHER ACCOUNTING SVCS	10,000.00					-	10,000.00
PAYROLL SERVICES		415.97	415.97	850.12	758.39	2,440.45	(2,440.45)
PETTY CASH	500.00					-	500.00
AUDITING FEES	18,000.00					-	18,000.00
OFFICE RENT	57,000.00	4,299.60	4,299.60	4,299.60	4,299.60	17,198.40	39,801.60
OFFICE UTILITIES	6,000.00	664.85	396.88	414.94	590.16	2,066.83	3,933.17
OFFICE FURNITURE	1,500.00						1,500.00

	Budget	October	November	December	January	YTD	Variance
SUNDRY - ADMINSTRATIVE		1,300.00		-		1,300.00	(1,300.00)
BANK FEES	250.00	20.00	20.00	33.00	20.00	93.00	157.00
REAC INSPECTIONS						-	-
TELEPHONE EXPENSES	15,000.00	1,420.44	1,244.93	1,249.90	1,247.27	5,162.54	9,837.46
COMPUTER EQUIPMENT & SUPPORT	5,000.00	727.90			235.41	963.31	4,036.69
MONTHLY ADMIN FEES		70.00	70.00		70.00	210.00	(210.00)
SOFTWARE EXPENSES	40,542.00					-	40,542.00
POSTAGE	5,500.00		748.56	4.82	350.00	1,103.38	4,396.62
ADVERTISING	500.00					-	500.00
HTG & A/C PARTS						-	-
OFFICE EXPENSES	14,000.00	784.21	505.01	613.50	436.71	2,339.43	11,660.57
COPIER EXPENSES	5,000.00		189.00	237.30	189.00	615.30	4,384.70
MEMBERSHIP DUES	3,600.00	424.00		210.00	486.01	1,120.01	2,479.99
CRIMINAL RECORDS CHECK	5,000.00			125.50		125.50	4,874.50
COPIER RENTAL	6,000.00	486.01	486.01	486.01		1,458.03	4,541.97
DOCUMENT SHREDDING	1,500.00		82.39	164.27	91.87	338.53	1,161.47
FINANCE FEES			153.42			153.42	(153.42)
WATER	60,000.00	12,115.86		14.12	8,984.51	21,114.49	38,885.51
SEWER	47,000.00	11,087.94		20.75	9,442.46	20,551.15	26,448.85
ELECTRICIRTY	82,000.00	9,450.46	5,119.29	4,905.75	5,295.75	24,771.25	57,228.75
GAS	7,000.00	533.46	288.93	450.76	620.71	1,893.86	5,106.14
FUEL	5,500.00	823.70	132.74	101.85	159.09	1,217.38	4,282.62
OTHER UTILITIES EXPENSE						-	-
MAINTENANCE SALARIES		9,943.30	9,581.35	14,534.73	8,674.49	42,733.87	(42,733.87)
ELECTRICAL CONTRACT						-	-
MATERIALS	500.00					-	500.00
JANITORIAL SUPPLIES	1,500.00	282.78	39.91	535.00	172.36	1,030.05	469.95
GROUPS SUPPLIES-EQUIPMENT	4,500.00	960.00	100.38	(36.30)	60.16	1,084.24	3,415.76
APPLIANCE SUPPLIES			(73.90)			(73.90)	73.90
HARDWARE SUPPLIES	8,000.00	1,784.27	2,488.93	14.16	358.17	4,645.53	3,354.47
PAINTING SUPPLIES	1,500.00		15.63			15.63	1,484.37
PLUMBING SUPPLIES	2,500.00	399.59	462.52	191.69	13.17	1,066.97	1,433.03
ELECTRICAL SUPPLIES	800.00					-	800.00
HVAC SUPPLIES						-	-
HTG & A/C PARTS	800.00	5.28		76.62	268.45	350.35	449.65
APPLIANCES	7,000.00	945.00	2,034.00	980.00	1,100.00	5,059.00	1,941.00
APPLIANCE PARTS	500.00					-	500.00
MAINTENANCE RENTAL EQUIPMENT	500.00		66.96			66.96	433.04
UNIFORMS - COST & CLEANING	1,000.00					-	1,000.00
FIRESIDE OPERATING SUBSIDY						-	-
REAL ESTATE TAXES			4,657.32	6,204.15		10,861.47	(10,861.47)
SUPPLY RESERVE	500.00						
APPLIANCES-hot water heater	10,000.00						
CONTRACT COST	5,000.00			700.00		700.00	4,300.00
GROUPS CONTRACT						-	-
MOLD HAZARD INSPECTION				1,500.00		1,500.00	(1,500.00)
LEAD BASED PAINT INSPECTION FEES	5,000.00		210.00			210.00	4,790.00



	Budget	October	November	December	January	YTD	Variance
REAC INSPECTION REPAIRS						-	-
ELECTRICAL EQUIPMENT	6,000.00	210.82			1,667.98	1,878.80	4,121.20
EXTERMINATION CONTRACT	12,000.00	1,050.00	710.00	560.00	560.00	2,880.00	9,120.00
PAINTING CONTRACT	13,000.00					-	13,000.00
PLUMBING CONTRACTS	25,000.00	7,469.00	2,195.00	4,347.00	420.00	14,431.00	10,569.00
HTG & A/C REPAIRS - CONTRACT	18,000.00	378.00	1,000.00	200.00	1,226.00	2,804.00	15,196.00
VEHICLE REPAIRS	2,000.00	1,366.64	1,433.96		142.70	2,943.30	(943.30)
MOVERS/EVICTIONS	1,500.00					-	1,500.00
STORAGE	1,500.00	226.00	113.00	113.00	122.00	574.00	926.00
SNOW REMOVAL	8,000.00					-	8,000.00
HOTEL/EMERGENCY MAINT			994.33			994.33	(994.33)
LEAD BASED INSPECTION		250.00			3,210.00	3,460.00	(3,460.00)
UNIT TURNAROUND	18,000.00	2,025.00	1,620.50		1,440.00	5,085.50	12,914.50
GARBAGE & TRASH REMOVAL	2,000.00	24.08	184.80	176.96	98.56	484.40	1,515.60
PROTECTIVE SERVICES	1,000.00			184.70	100.80	285.50	714.50
URP EXPENSES	12,500.00	720.00	720.00	649.00	1,015.30	3,104.30	9,395.70
PROPERTY INSURANCE	15,500.00					-	15,500.00
INSURANCE - GENERAL LIABILITY						-	-
PYMTS IN LIEU OF TAXES						-	-
COMPENSATED ABSENCES						-	-
EMPLOYEE BENEFITS CONTRIBUTION	114,520.00	8,302.22	8,321.34	10,234.38	13,464.18	40,322.12	74,197.88
EMPLOYEE BENEFITS CONTRIBUTION-FSS	4,608.00	280.60	280.60	310.70	431.72	1,303.62	3,304.38
EMPLOYEE BENEFITS CONTRIBUTION-ROSS	12,267.00	(483.55)	277.05	351.96	639.75	785.21	11,481.79
EMPLOYEE BENEFITS CONTRIBUTION-RELP	13,695.00						
COLLECTION LOSS						-	-
OTHER GENERAL EXPENSES						-	-
MONTGOMERY GRANT ALLIANCE		100.00		98.08		198.08	(198.08)
NON-EXTRAORDINARY MAINTENANCE	10,000.00						
EXTRAORDINARY MAINTENANCE	5,000.00	7,679.69	8,622.00		1,821.10	18,122.79	(13,122.79)
CAPITAL FUND EXP						-	-
FIRESIDE RESERVE DEPOSIT EXP						-	-
HOUSING ASST PAYMENTS						-	-
FSS ESCROW CONTRIBUTIONS	45,000.00	3,898.00	6,152.00	4,287.00	7,550.00	21,887.00	23,113.00
DEPRECIATION EXPENSE						-	-
OTHER TAXES						-	-
FURNANCE REPLACEMENT						-	-
SECURITY CAMERA REPAIRS						-	-
EXTERIOR LIGHTING						-	-
PLUMBING PIPE VIDEO-BLOW OUT	20,000.00					-	20,000.00
CIRCUIT BREAKER REPLACEMENTS						-	-
509 BICKFORD						-	-
SMOKE DETECTORS	46,600.00					-	46,600.00
Total Expenses	1,501,769.00	122,469.62	100,817.22	118,440.10	112,267.81	453,994.75	1,047,774.25
Net Income	59,041.00	(7,083.25)	8,967.93	(18,473.54)	11,768.32	(4,820.54)	63,861.54

Housing Choice  
Voucher Program

Financial Report

Month ending January 2017

RHE - HCV 2017  
Admin Cash Flow  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
2501.15	FSS GRANT CONTRIBUTION	\$ 2,372.00	\$ 9,117.00
3600.00	ADMIN FEES	0.00	130,904.00
3603.00	ADMIN FEE - PORT IN	2,603.17	12,780.12
	Total Revenues	4,975.17	152,801.12
	Gross Profit	4,975.17	152,801.12
Expenses			
4110.00	ADMINISTRATIVE SALARIES	23,812.37	132,151.70
4110.01	ADMIN SALARIES-FSS COORDINATOR	1,709.22	10,191.49
4110.03	MERIT AWARD	0.00	250.00
4130.00	LEGAL EXPENSE	828.75	1,511.25
4140.00	STAFF TRAINING	0.00	2,562.21
4150.00	TRAVEL	0.00	(65.00)
4167.00	OTHER CONSULTANTS	1,259.00	8,076.49
4180.00	OFFICE RENT	1,863.16	7,452.64
4180.01	OFFICE - UTILITIES	255.74	895.62
4190.01	BANK FEES	86.78	212.78
4190.02	HQS INSPECTIONS	442.00	2,510.00
4190.03	TELEPHONE EXPENSES	393.69	1,782.68
4190.04	COMPUTER EQUIPMENT & SUPPORT	100.90	412.86
4190.05	MONTHLY ADMIN FEES	30.00	90.00
4190.07	POSTAGE	150.00	472.89
4190.10	OFFICE EXPENSES	92.26	1,145.74
4190.13	COPIER EXPENSES	81.00	330.45
4190.15	MEMBERSHIP DUES	0.00	694.00
4190.17	CRIMINAL RECORDS CHECK	71.70	490.00
4190.19	COPIER RENTAL	208.29	833.16
4190.20	DOCUMENT SHREDDING	39.38	145.10
4420.01	CONSUMABLE JANITORIAL SUPPLIES	0.00	55.96
4420.04	HARDWARE SUPPLIES	0.00	6.97
4420.16	OTHER REAL ESTATE TAXES	0.00	2,018.17
4480.00	PROTECTION SERVICES	43.20	192.90
4540.00	EMPLOYEE BENEFITS CONTRIBUTION	8,575.64	26,888.73
4540.01	FSS COORDINATOR - BENEFITS	1,310.72	3,061.63
4590.00	PETTY CASH	0.00	(30.06)
	Total Expenses	41,353.80	204,340.36
	Net Income	(\$ 36,378.63)	(\$ 51,539.24)

RHE - HCV 2017  
REG HAP NRA  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
3602.00	PORT IN	41,183.00	166,032.40
3680.00	FSS FORFEITURE	0.00	6,221.61
8020.00	HAP CONTRIBUTION	0.00	1,480,905.00
	Total Revenues	41,183.00	1,653,159.01
	Gross Profit	41,183.00	1,653,159.01
Expenses			
4500.00	URP EXPENSES	1,970.00	5,990.00
4715.00	HOUSING ASSISTANCE PYMTS	358,508.51	1,474,118.90
4718.00	FSS ESCROW CONTRIBUTIONS	7,550.00	27,725.00
	Total Expenses	368,028.51	1,507,833.90
	Net Income	(\$ 326,845.51)	\$ 145,325.11

RHE - HCV 2017  
Income Statement  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
2501.15	FSS GRANT CONTRIBUTION	\$ 2,372.00	\$ 9,117.00
3600.00	ADMIN FEES	0.00	130,904.00
3602.00	PORT IN	41,183.00	166,032.40
3603.00	ADMIN FEE - PORT IN	2,603.17	12,780.12
3680.00	FSS FORFEITURE	0.00	6,221.61
8020.00	HAP CONTRIBUTION	0.00	1,480,905.00
	Total Revenues	46,158.17	1,805,960.13
	Gross Profit	46,158.17	1,805,960.13
Expenses			
4110.00	ADMINISTRATIVE SALARIES	23,812.37	132,151.70
4110.01	ADMIN SALARIES-FSS COORDINAT	1,709.22	10,191.49
4110.03	MERIT AWARD	0.00	250.00
4130.00	LEGAL EXPENSE	828.75	1,511.25
4140.00	STAFF TRAINING	0.00	2,562.21
4150.00	TRAVEL	0.00	(65.00)
4167.00	OTHER CONSULTANTS	1,259.00	8,076.49
4180.00	OFFICE RENT	1,863.16	7,452.64
4180.01	OFFICE - UTILITIES	255.74	895.62
4190.01	BANK FEES	86.78	212.78
4190.02	HQS INSPECTIONS	442.00	2,510.00
4190.03	TELEPHONE EXPENSES	393.69	1,782.68
4190.04	COMPUTER EQUIPMENT & SUPPOR	100.90	412.86
4190.05	MONTHLY ADMIN FEES	30.00	90.00
4190.07	POSTAGE	150.00	472.89
4190.10	OFFICE EXPENSES	92.26	1,145.74
4190.13	COPIER EXPENSES	81.00	330.45
4190.15	MEMBERSHIP DUES	0.00	694.00
4190.17	CRIMINAL RECORDS CHECK	71.70	490.00
4190.19	COPIER RENTAL	208.29	833.16
4190.20	DOCUMENT SHREDDING	39.38	145.10
4420.01	CONSUMABLE JANITORIAL SUPPLI	0.00	55.96
4420.04	HARDWARE SUPPLIES	0.00	6.97
4420.16	OTHER REAL ESTATE TAXES	0.00	2,018.17
4480.00	PROTECTION SERVICES	43.20	192.90
4500.00	URP EXPENSES	1,970.00	5,990.00
4540.00	EMPLOYEE BENEFITS CONTRIBUTI	8,575.64	26,888.73
4540.01	FSS COORDINATOR - BENEFITS	1,310.72	3,061.63
4590.00	PETTY CASH	0.00	(30.06)
4715.00	HOUSING ASSISTANCE PYMTS	358,508.51	1,474,118.90
4718.00	FSS ESCROW CONTRIBUTIONS	7,550.00	27,725.00
	Total Expenses	409,382.31	1,712,174.26
	Net Income	\$ (363,224.14)	\$ 93,785.87

RHE - HCV 2017  
Balance Sheet  
January 31, 2017

ASSETS

Current Assets		
HCV GEN FUND	\$	707,164.65
RHE PAYROLL		24,756.32
FSS ESCROW		126,840.75
ACCOUNTS RECEIVABLE - INTERFU		(17,990.44)
ACCOUNTS RECEIVABLE - MAINST		209,390.24
ACCOUNTS RECEIVABLE - MOD		12,484.00
		<hr/>
Total Current Assets		1,062,645.52
Property and Equipment		
LAND		1,339.97
OFFICE FURNITURE & EQUIPMENT		45,908.07
ACCUMULATED DEPRECIATION		(46,045.39)
		<hr/>
Total Property and Equipment		1,202.65
Other Assets		<hr/>
Total Other Assets		<hr/> 0.00
Total Assets	\$	<hr/> <hr/> 1,063,848.17

LIABILITIES AND CAPITAL

Current Liabilities		
VENDORS & CONTRACTS	\$	1,825.89
PAYROLL DEDUCTIONS-AFLAC FLE		(2,075.81)
PAYROLL DEDUCTIONS-AFLAC		(2,444.63)
ACCOUNTS PAYABLE - LOW RENT		40,144.25
ACCOUNTS PAYABLE - MOD REHAB		31,067.00
ACCOUNTS PAYABLE - MAINSTREA		222,864.36
ACCOUNTS PAYABLE - INTERFUND		41,758.06
ACCRUED PAYROLL		5,144.77
COMPENSATED ABSENCES		1,239.22
COMPENSATED ABSENCES - NONCU		11,152.89
FSS ESCROW		124,795.03
		<hr/>
Total Current Liabilities		475,471.03
Long-Term Liabilities		<hr/>
Total Long-Term Liabilities		<hr/> 0.00
Total Liabilities		475,471.03
Capital		
INVESTED IN CAPITAL ASSETS NET		3,627.00
UNRESTRICTED NET POSITION - AD		251,253.27
RESTRICTED NET ASSETS - HAP		239,711.00
Net Income		93,785.87
		<hr/>
Total Capital		<hr/> 588,377.14
Total Liabilities & Capital	\$	<hr/> <hr/> 1,063,848.17



RHE - HCV  
Unrestricted Net Assets - 12 Periods  
For October 1, 2016 through September 30, 2017

	BUDGET	October	November	December	January	September	YTD	Variance
FSS GRANT CONTRIBUTIONS		2,392.50	2,000.00	2,352.50	2,372.00		9,117.00	(9,117.00)
ADMIN FEES	350,000.00	33,444.00	32,519.00	64,941.00			130,904.00	219,096.00
ADMIN FEE - MAINSTREAM							-	-
ADMIN FEES - MOD REHAB							-	-
ADMIN FEE - PORT IN		4,149.88	4,071.78	1,955.29	2,603.17		12,780.12	(12,780.12)
Total Revenues	350,000.00	39,986.38	38,590.78	69,248.79	4,975.17	-	152,801.12	197,198.88
Gross Profit	350,000.00	39,986.38	38,590.78	69,248.79	4,975.17	-	152,801.12	197,198.88
ADMINISTRATIVE SALARIES	190,927.00	28,921.48	30,841.49	48,576.36	23,812.37		132,151.70	58,775.30
ADMIN SALARIES-FSS COORDINATOR	23,392.00	1,709.22	1,709.22	5,063.83	1,709.22		10,191.49	13,200.51
MERIT AWARD	1,500.00	250.00					250.00	1,250.00
PAYROLL TAXES							-	-
LEGAL EXPENSE	3,000.00			682.50	828.75		1,511.25	1,488.75
STAFF TRAINING		1,243.49		1,318.72			2,562.21	(2,562.21)
TRAVEL				(65.00)			(65.00)	65.00
OTHER CONSULTANTS	3,000.00	60.00	9.75	6,747.74	1,259.00		8,076.49	(5,076.49)
FEE ACCOUNTANT	6,560.00						-	6,560.00
PETTY CASH	250.00						-	250.00
AUDITING FEES	5,292.00						-	5,292.00
OFFICE RENT	27,060.00	1,863.16	1,863.16	1,863.16	1,863.16		7,452.64	19,607.36
OFFICE - UTILITIES	2,100.00	288.10	171.98	179.80	255.74		895.62	1,204.38
OFFICE FURNITURE	1,500.00						-	1,500.00
SUNDRY - ADMINISTRATIVE							-	-
BANK FEES	200.00	20.00	86.00	20.00	86.78		212.78	(12.78)
HQS INSPECTIONS		1,120.00	699.00	249.00	442.00		2,510.00	(2,510.00)
TELEPHONE EXPENSES	5,000.00	453.69	459.46	475.84	393.69		1,782.68	3,217.32
COMPUTER EQUIPMENT & SUPPORT	2,000.00	311.96			100.90		412.86	1,587.14
MONTHLY ADMIN FEES		30.00	30.00		30.00		90.00	(90.00)
SOFTWARE EXPENSES	5,000.00						-	5,000.00
POSTAGE	3,000.00		320.82	2.07	150.00		472.89	2,527.11
ADVERTISING	200.00						-	200.00
OFFICE EXPENSES	3,400.00	648.58	215.51	189.39	92.26		1,145.74	2,254.26
COPIER EXPENSES	4,000.00	81.00	81.00	87.45	81.00		330.45	3,669.55
MEMBERSHIP DUES	600.00	424.00		270.00			694.00	(94.00)
CRIMINAL RECORDS CHECK	3,000.00	35.85		382.45	71.70		490.00	2,510.00
COPIER RENTAL	4,100.00	208.29	208.29	208.29	208.29		833.16	3,266.84
DOCUMENT SHREDDING	500.00		35.31	70.41	39.38		145.10	354.90
OFFICE EQUIPMENT							-	-
WATER							-	-
ELECTRICITY							-	-
GAS							-	-
OTHER UTILITIES EXPENSE							-	-
MAINTENANCE SALARIES							-	-
MATERIALS							-	-
CONSUMABLE JANITORIAL SUPPLIES		45.99	9.97				55.96	(55.96)
HARDWARE SUPPLIES			6.97				6.97	(6.97)
PLUMBING SUPPLIES							-	-
ELECTRICAL SUPPLIES							-	-
UNIFORMS - COST & CLEANING	300.00						-	300.00
OTHER REAL ESTATE TAXES			2,018.17				2,018.17	(2,018.17)

	BUDGET	October	November	December	January	September	YTD	Variance
CONTRACT COST							-	-
GROUNDS CONTRACT							-	-
ELECTRICAL EQUIPMENT							-	-
EXTERMINATION CONTRACT							-	-
PAINTING CONTRACT							-	-
PLUMBING CONTRACTS							-	-
HTG & A/C REPAIRS - CONTRACT							-	-
STORAGE	500.00						-	500.00
UNIT TURNAROUND							-	-
PROTECTION SERVICES	1,000.00			149.70	43.20		192.90	807.10
INSURANCE - GENERAL LIABLITY	2,000.00						-	2,000.00
PYMTS IN LIEU OF TAXES							-	-
COMPENSATED ABSENCES							-	-
EMPLOYEE BENEFITS CONTRIBUTION	48,052.00	6,082.56	6,126.98	6,103.55	8,575.64		26,888.73	21,163.27
FSS COORDINATOR - BENEFITS	4,608.00	280.60	280.61	1,189.70	1,310.72		3,061.63	1,546.37
PETTY CASH				(30.06)			(30.06)	30.06
Total Expenses	352,041.00	44,077.97	45,173.69	73,734.90	41,353.80	-	204,340.36	147,700.64
Net Income	(2,041.00)	(4,091.59)	(6,582.91)	(4,486.11)	(36,378.63)	-	(51,539.24)	49,498.24

RHE - HCV

NRA - 12 Periods

For October 1, 2015 through September 30, 2016

	BUDGET	October	November	December	January	September	YTD	Variance
PORT IN								
FSS FORFEITURES		43,928.40	55,988.00	24,933.00	41,183.00		166,032.40	(166,032.40)
HAP CONTRIBUTION	4,813,160.00	6,221.61					6,221.61	(6,221.61)
		413,866.00	407,318.00	659,721.00			1,480,905.00	3,332,255.00
Total Revenues	4,813,160.00	464,016.01	463,306.00	684,654.00	41,183.00	-	1,653,159.01	3,160,000.99
Gross Profit	4,813,160.00	464,016.01	463,306.00	684,654.00	41,183.00	-	1,653,159.01	3,160,000.99
URP EXPENSES	26,000.00	2,226.00	1,487.00	307.00	1,970.00		5,990.00	20,010.00
HOUSING ASSISTANCE PYMTS	4,717,160.00	425,935.24	345,980.66	343,694.49	358,508.51		1,474,118.90	3,243,041.10
FSS ESCROW CONTRIBUTIONS	70,000.00	5,108.00	7,334.00	7,733.00	7,550.00		27,725.00	42,275.00
Total Expenses	4,813,160.00	433,269.24	354,801.66	351,734.49	368,028.51	-	1,507,833.90	3,305,326.10
Net Income	-	30,746.77	108,504.34	332,919.51	(326,845.51)	-	145,325.11	(145,325.11)

**Mainstream**  
**Financial Report**  
**Month ending January 2017**

RHE MAINSTREAM 2017  
Income Statement  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
3600.01	ADMIN FEES	\$ 0.00	\$ 16,372.00
8020.01	HAP CONTRIBUTIONS - MAINSTRE	0.00	209,657.00
	Total Revenues	<u>0.00</u>	<u>226,029.00</u>
	Gross Profit	<u>0.00</u>	<u>226,029.00</u>
Expenses			
4110.00	SALARIES	3,164.64	18,038.24
4500.00	URP EXPENSES	13.00	52.00
4540.00	EMPLOYEE BENEFITS	879.00	3,516.00
4715.00	HOUSING ASST PYMTS	50,158.29	205,205.24
	Total Expenses	<u>54,214.93</u>	<u>226,811.48</u>
	Net Income	<u>\$ (54,214.93)</u>	<u>\$ (782.48)</u>

RHE MAINSTREAM 2017  
Balance Sheet  
January 31, 2017

ASSETS

Current Assets		
ACCOUNTS RECEIVABLE - HUD	\$ 62,093.00	
ACCOUNT RECEIVABLE - VOUCHER	808,275.72	
MAINSTREAM A/R HUD	24,877.94	
	<hr/>	
Total Current Assets		895,246.66
Property and Equipment		
	<hr/>	
Total Property and Equipment		0.00
Other Assets		
	<hr/>	
Total Other Assets		0.00
		<hr/>
Total Assets	\$	<u><u>895,246.66</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE - HUD	\$ 62,093.00	
ACCOUNTS PAYABLE - HCV	15,237.96	
DUE TO HCV	814,155.18	
	<hr/>	
Total Current Liabilities		891,486.14
Long-Term Liabilities		
	<hr/>	
Total Long-Term Liabilities		0.00
		<hr/>
Total Liabilities		891,486.14
Capital		
UNRESTRICTED NET POSITION	4,543.00	
Net Income	(782.48)	
	<hr/>	
Total Capital		3,760.52
		<hr/>
Total Liabilities & Capital	\$	<u><u>895,246.66</u></u>



RHE MAINSTREAM

Income Statement - 12 Periods

For October 1, 2016 through September 30, 2017

	October	November	December	January	September	YTD	Variance
ADMIN FEES-MAINSTREAM	85,000.00	4,073.00	4,075.00	8,224.00		16,372.00	68,628.00
Total Revenues	85,000.00	4,073.00	4,075.00	8,224.00	-	16,372.00	68,628.00
Gross Profit	85,000.00	4,073.00	4,075.00	8,224.00	-	16,372.00	68,628.00
SALARIES	41,773.00	6,962.00	3,164.64	4,746.96	3,164.64	18,038.24	23,734.76
STAFF TRAINING	1,000.00					-	1,000.00
FEE ACCOUNTANT	1,440.00					-	1,440.00
AUDITING FEES	2,108.00					-	2,108.00
OFFICE RENT	5,940.00					-	5,940.00
SOFTWARE EXPENSES	21,609.00					-	21,609.00
EMPLOYEE BENEFITS CONTRIBUTION	10,548.00	879.00	879.00	879.00	879.00	3,516.00	7,032.00
Total Expenses	84,418.00	7,841.00	4,043.64	5,625.96	4,043.64	21,554.24	62,863.76
Net Income	582.00	(3,768.00)	31.36	2,598.04	(4,043.64)	(5,182.24)	5,764.24

RHE MAINSTREAM  
Income Statement - 12 Periods  
For October 1, 2016 through September 30, 2017

	Budget	October	November	December	January	September	YTD	Variance
HAP CONTRIBUTIONS - MAINSTREAM	669,900.00	52,047.00	52,047.00	105,563.00			209,657.00	460,243.00
Total Revenues	669,900.00	52,047.00	52,047.00	105,563.00	-	-	209,657.00	460,243.00
								-
								-
Gross Profit	669,900.00	52,047.00	52,047.00	105,563.00	-	-	209,657.00	460,243.00
								-
URP		13.00	13.00	13.00	13.00			-
HOUSING ASST PYMTS	669,900.00	52,438.17	52,834.39	50,441.39	50,158.29		205,872.24	464,027.76
Total Expenses	669,900.00	52,451.17	52,847.39	50,454.39	50,171.29	-	205,924.24	463,975.76
Net Income	-	(404.17)	(800.39)	55,108.61	(50,171.29)	-	3,732.76	(3,732.76)

**Mod Rehab**

**Financial Report**

**Month ending January 2017**

RHE - MOD REHAB  
Income Statement  
For the Four Months Ending January 31, 2017

		Current Month	Year to Date
Revenues			
3600.01	ADMIN FEES	\$ 0.00	\$ 2,095.80
8020.02	HAP CONTRIBUTION - MOD	0.00	12,598.20
		<hr/>	<hr/>
	Total Revenues	0.00	14,694.00
		<hr/>	<hr/>
	Gross Profit	0.00	14,694.00
		<hr/>	<hr/>
Expenses			
4715.00	HOUSING ASSISTANCE PYMTS	3,121.00	12,484.00
		<hr/>	<hr/>
	Total Expenses	3,121.00	12,484.00
		<hr/>	<hr/>
	Net Income	\$ (3,121.00)	\$ 2,210.00
		<hr/> <hr/>	<hr/> <hr/>

RHE - MOD REHAB

Income Statement - 12 Periods

For October 1, 2016 through September 30, 2017

	Budget	October	November	December	September	YTD	Variance
Revenues							
3601.00 ADMIN FEES	2,600.00	523.95	523.95	1,047.90			
Total Revenues	2,600.00	523.95	523.95	1,047.90	-	2,095.80	(504.20)
Gross Profit	2,600.00	523.95	523.95	1,047.90	-	2,095.80	(504.20)
Expenses							
4171.00 AUDITING FEES	2,600.00						
Total Expenses		-	-	-	-	-	-
Net Income	2,600.00	523.95	523.95	1,047.90	-	2,095.80	(504.20)

RHE - MOD REHAB  
Income Statement - 12 Periods  
For October 1, 2015 through September 30, 2016

	October	November	December	January	September	YTD	Variance
HAP CONTRIBUTION - MOD							
Total Revenues	3,154.05	3,148.05	6,296.10	-	-	12,598.20	12,598.20
Gross Profit	3,154.05	3,148.05	6,296.10	-	-	12,598.20	12,598.20
HOUSING ASSISTANCE PYMTS							
Total Expenses	3,121.00	3,121.00	3,121.00	3,121.00	-	12,484.00	12,484.00
Net Income	33.05	27.05	3,175.10	(3,121.00)	-	114.20	114.20



**RELP One. LP**

**Financial Report**

**Month ending January 2017**

REL P ONE LP  
Admin Cash Flow  
For the One Month Ending January 31, 2017

	Current Month	Year to Date
Revenues		
DWELLING RENTAL	\$ 48,612.00	\$ 48,612.00
SECTION 8 SUBSIDIES	14,767.00	14,767.00
LATE FEES	442.25	442.25
OTHER INCOME	205.00	205.00
	<hr/>	<hr/>
Total Revenues	64,026.25	64,026.25
	<hr/>	<hr/>
Gross Profit	64,026.25	64,026.25
	<hr/>	<hr/>
Expenses		
LEGAL EXPENSES	97.56	97.56
OFFICE RENT	1,003.24	1,003.24
OFFICE UTILITIES	137.70	137.70
OFFICE SUPPLIES	194.36	194.36
BANK FEES	820.31	820.31
ELECTRICITY	331.91	331.91
GAS	97.14	97.14
MAINTENANCE SALARIES	1,632.78	1,632.78
HARDWARE SUPPLIES	368.03	368.03
PLUMBING SUPPLIES	13.17	13.17
APPLIANCES	63.00	63.00
APPLIANCE PARTS	188.40	188.40
PLUMBING CONTRACTS	1,566.00	1,566.00
HTG & COOLING CONTRACTS	602.00	602.00
VEHICLE REPAIRS	142.70	142.70
STORAGE	122.00	122.00
BOND / MORTGAGE INTEREST EXP	14,876.54	14,876.54
ASSOCIATION FEES	14,168.55	14,168.55
PROPERTY MGMT FEES	6,226.48	6,226.48
	<hr/>	<hr/>
Total Expenses	42,651.87	42,651.87
	<hr/>	<hr/>
Net Income	\$ 21,374.38	\$ 21,374.38
	<hr/>	<hr/>

REL P ONE LP  
Income Statement  
For the One Month Ending January 31, 2017

	Current Month	Year to Date
Revenues		
DWELLING RENTAL	\$ 48,612.00	\$ 48,612.00
SECTION 8 SUBSIDIES	14,767.00	14,767.00
LATE FEES	442.25	442.25
OTHER INCOME	205.00	205.00
	<hr/>	<hr/>
Total Revenues	64,026.25	64,026.25
	<hr/>	<hr/>
Gross Profit	64,026.25	64,026.25
	<hr/>	<hr/>
Expenses		
LEGAL EXPENSES	97.56	97.56
OFFICE RENT	1,003.24	1,003.24
OFFICE UTILITIES	137.70	137.70
OFFICE SUPPLIES	194.36	194.36
BANK FEES	820.31	820.31
ELECTRICITY	331.91	331.91
GAS	97.14	97.14
MAINTENANCE SALARIES	1,632.78	1,632.78
HARDWARE SUPPLIES	368.03	368.03
PLUMBING SUPPLIES	13.17	13.17
APPLIANCES	63.00	63.00
APPLIANCE PARTS	188.40	188.40
PLUMBING CONTRACTS	1,566.00	1,566.00
HTG & COOLING CONTRACTS	602.00	602.00
VEHICLE REPAIRS	142.70	142.70
STORAGE	122.00	122.00
BOND / MORTGAGE INTEREST EXP	14,876.54	14,876.54
ASSOCIATION FEES	14,168.55	14,168.55
DEPRECIATION	22,255.24	22,255.24
PROPERTY MGMT FEES	6,226.48	6,226.48
	<hr/>	<hr/>
Total Expenses	64,907.11	64,907.11
	<hr/>	<hr/>
Net Income	\$ (880.86)	\$ (880.86)
	<hr/>	<hr/>

REL P ONE LP  
Balance Sheet  
January 31, 2017

ASSETS

Current Assets		
REL P ONE OPER	\$	300,688.56
REL P TENANT SECURITY DEPOSIT		27,048.00
TENANTS ACCOUNTS RECEIVABLE		14,207.36
OPERATING RESERVE		299,875.67
REPLACEMENT RESERVE		70,587.70
MORTGAGE ESCROW		36,885.88
PREPAID INSURANCE		21,047.46
PREPAID TAXES		6,340.28
PREPAID SUPPORT		12,250.00
		<hr/>
Total Current Assets		788,930.91
Property and Equipment		
SITE AQUISITION		259,000.00
SITE IMPROVEMENTS		217,495.00
COMPUTER SOFTWARE		(10,000.00)
BUILDING		6,569,020.56
DWELLING EQUIPMENT		105,841.25
OFFICE FURNITURE & EUIPMENT		10,000.00
ACCUMULATED DEPRECIATION		(3,489,977.64)
		<hr/>
Total Property and Equipment		3,661,379.17
Other Assets		
DEFERRED FINANCING COST		183,650.50
AMORTIZATION DEFERRED FINAN		(51,728.50)
		<hr/>
Total Other Assets		131,922.00
		<hr/>
Total Assets	\$	<u><u>4,582,232.08</u></u>

LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE - PH	\$	(19,994.70)
TENANTS SECURITY DEPOSIT		16,595.53
TENANTS PET DEPOSIT		601.00
SECURITY DEPOSIT INTEREST		3,017.54
ACCRUED EXPENSES		3,471.00
EMPLOYEE DEDUCTION AFLAC		(664.84)
ACCOUNTS PAYABLE - LOW RENT		53,454.44
AP INTERFUND		(8,933.22)
ACCRUED INT PAYABLE - MORTGA		15,522.73
ACCRUED INT PAYABLE - CTY LOA		48,894.53
ACCRUED INT PAYBLE - RHE LOAN		4,406.92
TENANTS PREPAID RENTS		12,388.38
		<hr/>
Total Current Liabilities		128,759.31
Long-Term Liabilities		
BOND / MORTGAGE PAYABLE		3,421,999.98
CITY LOAN PAYABLE		120,000.00
COUNTY LOAN PAYABLE		1,345,916.40
RHE LOAN PAYABLE		161,102.99
		<hr/>
Total Long-Term Liabilities		5,049,019.37
		<hr/>
Total Liabilities		5,177,778.68

Unaudited - For Management Purposes Only

REL P ONE LP  
Balance Sheet  
January 31, 2017

Capital		
PARTNERS EQUITY	(594,665.74)	
Net Income	<u>(880.86)</u>	
Total Capital		<u>(595,546.60)</u>
Total Liabilities & Capital	\$	<u><u>4,582,232.08</u></u>



**RHEP**

**Financial Report**

**Month ending January 2017**



RHE PROPERTIES 2017  
Admin Cash Flow  
For the One Month Ending January 31, 2017

	Current Month	Year to Date
Revenues		
RENTAL RECEIPTS	1,908.00	1,908.00
SECTION 8 SUBSIDIES	2,126.00	2,126.00
OTHER TENANT REVENUE	61.50	61.50
Total Revenues	4,095.50	4,095.50
Gross Profit	4,095.50	4,095.50
Expenses		
MORT - FALLS GROVE-9001	418.28	418.28
MORT - JAY DRIVE-9002	399.16	399.16
MORT - GARDENVIEW-9003	155.94	155.94
MORT - CORK TREE-9004	155.46	155.46
OFFICE EXPENSES - UTILITIES	114.42	114.42
BANK FEES	33.77	33.77
LEGAL EXPENSE	26.32	26.32
HTG & A/C CONTRACTS	120.00	120.00
INTEREST EXPENSE	2,190.47	2,190.47
ASSOCIATION FEES	1,424.72	1,424.72
Total Expenses	5,038.54	5,038.54
Net Income	\$ (943.04)	\$ (943.04)

RHE PROPERTIES 2017  
Income Statement  
For the One Month Ending January 31, 2017

	Current Month	Year to Date
Revenues		
DWELLING RENT	\$ 4,920.00	\$ 4,920.00
SECTION 8 SUBSIDIES	2,126.00	2,126.00
OTHER TENANT REVENUE	61.50	61.50
	<u>7,107.50</u>	<u>7,107.50</u>
Total Revenues	<u>7,107.50</u>	<u>7,107.50</u>
Gross Profit	<u>7,107.50</u>	<u>7,107.50</u>
Expenses		
OFFICE EXPENSES - UTILITIES	114.42	114.42
BANK FEES	33.77	33.77
LEGAL EXPENSE	26.32	26.32
HTG & A/C CONTRACTS	120.00	120.00
INTEREST EXPENSE	2,190.47	2,190.47
ASSOCIATION FEES	1,424.72	1,424.72
	<u>3,909.70</u>	<u>3,909.70</u>
Total Expenses	<u>3,909.70</u>	<u>3,909.70</u>
Net Income	<u>\$ 3,197.80</u>	<u>\$ 3,197.80</u>

## RHE PROPERTIES 2017

## Balance Sheet

January 31, 2017

## ASSETS

## Current Assets

RHE PROP GEN FUND	\$	718.48
SECURITY DEPOSITS		300.00
ACCOUNTS RECEIVABLE TENANTS		34,673.55
ALLOW FOR DOUBTFUL ACCOUNTS		(932.80)
AR - Interfund		(2,000.00)
OTHER		850.00

Total Current Assets		33,609.23
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## Property and Equipment

SITE IMPROVEMENTS	7,092.90
BUILDINGS	462,077.96
DWELLING EQUIPMENT	4,444.88
ACC. DEPR. BUILDINGS	(46,946.17)
ACC. DEPR. PERSONAL PROERTY	(444.49)
ACC. DEPR. SITE IMPROVEMENTS	(472.86)

Total Property and Equipment	425,752.22
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## Other Assets

Total Other Assets	0.00
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Total Assets	\$	459,361.45
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## LIABILITIES AND CAPITAL

## Current Liabilities

ACCOUNTS PAYABLE - VENDORS	\$	1,675.00
TENANTS SECURITY DEPOSITS		1,459.43
ACCOUNTS PAYABLE - HCV		2,347.80
AP - DUE TO PH		(220.00)
ACCRUED INT PAYABLE		1,527.66
TENANT UNEARNED REVENUE		810.80

Total Current Liabilities	7,600.69
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## Long-Term Liabilities

MORTGAGE PAYABLE - FALLSGRO	87,325.17
MORTGAGE PAYABLE - JAY DRIVE	83,107.13
MORTGAGE PAYABLE - GARDEN VI	83,817.27
MORTGAGE PAYABLE - CORK TREE	84,013.33

Total Long-Term Liabilities	338,262.90
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Total Liabilities	345,863.59
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## Capital

INVESTED IN CAPITAL ASSETS	78,395.88
UNRESTRICTED NET POSITION	31,904.18
Net Income	3,197.80

Total Capital	113,497.86
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Total Liabilities & Capital	\$	459,361.45
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RHE Corp/Dev

# Financial Report

Month ending January 2017

RHE CORP DEVELOPMENT 2017  
Income Statement  
For the One Month Ending January 31, 2017

	Current Month	Year to Date
Revenues		
Total Revenues	<u>0.00</u>	<u>0.00</u>
Gross Profit	<u>0.00</u>	<u>0.00</u>
Expenses		
MISCELLANEOUS	\$ <u>398.96</u>	\$ <u>398.96</u>
Total Expenses	<u>398.96</u>	<u>398.96</u>
Net Income	<u>\$ (398.96)</u>	<u>\$ (398.96)</u>

## RHE CORP DEVELOPMENT 2017

## Balance Sheet

January 31, 2017

## ASSETS

Current Assets		
GENERAL FUND	\$	32,222.33
ACCOUNTS RECEIVABLE-INTERFUN		13,545.97
NOTES RECEIVABLE - LEGACY		<u>1,571,180.00</u>
Total Current Assets		1,616,948.30
Property and Equipment		<u>                    </u>
Total Property and Equipment		0.00
Other Assets		
ACCRUED INTEREST		75.57
CERTIFICATES OF DEPOSIT		200,751.00
INVESTMENT IN RELP		<u>789.00</u>
Total Other Assets		<u>201,615.57</u>
Total Assets	\$	<u><u>1,818,563.87</u></u>

## LIABILITIES AND CAPITAL

Current Liabilities		
ACCOUNTS PAYABLE - VENDORS	\$	525.00
ACCOUNTS PAYABLE - RELP		<u>23,414.00</u>
Total Current Liabilities		23,939.00
Long-Term Liabilities		<u>                    </u>
Total Long-Term Liabilities		<u>0.00</u>
Total Liabilities		23,939.00
Capital		
UNRESTRICTED NET POSITION		3,456,170.50
RESTRICTED NET POSITION		(1,661,146.67)
Net Income		<u>(398.96)</u>
Total Capital		<u>1,794,624.87</u>
Total Liabilities & Capital	\$	<u><u>1,818,563.87</u></u>



**Fireside Park**

**Financial Report**

**Month ending January 2017**

507 FIRESIDE PARK APARTMENTS  
For the One Month Ending Tuesday, January 31, 2017

	Current Month Actual	Current Month Budget	Current Month Variance	Year to Date Actual	Year to Date Budget	Year to Date Variance	Prior Year YTD Actual	Total Annual Budget
<b>INCOME STATEMENT</b>								
<b>INCOME:</b>								
<b>RENT POTENTIAL</b>								
5120 Rental Income Tenants	\$269,059.00	\$314,970.00	(\$45,911.00)	\$269,059.00	\$314,970.00	(\$45,911.00)	\$276,774.00	\$3,779,640.00
5121 Rental Income Subsidy	45,911.00	0.00	45,911.00	45,911.00	0.00	45,911.00	36,896.00	0.00
5122 Unrealized Rent Potential	(5,531.00)	(4,975.00)	(556.00)	(5,531.00)	(4,975.00)	(556.00)	(10,389.50)	(29,923.00)
RENT INCOME (Subtotal)	309,439.00	309,995.00	(556.00)	309,439.00	309,995.00	(556.00)	303,280.50	3,749,717.00
5220 Vacancy Loss/Recovery	(47,507.00)	(26,483.00)	(21,024.00)	(47,507.00)	(26,483.00)	(21,024.00)	(26,130.00)	(197,850.00)
6230 Concessions to Tenants	(5,925.70)	(1,000.00)	(4,925.70)	(5,925.70)	(1,000.00)	(4,925.70)	(336.65)	(12,000.00)
6370 Bad Debt Expense	109.17	(3,000.00)	3,109.17	109.17	(3,000.00)	3,109.17	(247.41)	(36,000.00)
ADJUST TO INCOME (Subtotal)	(53,323.53)	(30,483.00)	(22,840.53)	(53,323.53)	(30,483.00)	(22,840.53)	(26,714.06)	(245,850.00)
TOTAL RENTAL INCOME	256,115.47	279,512.00	(23,396.53)	256,115.47	279,512.00	(23,396.53)	276,566.44	3,503,867.00
ECONOMIC OCCUPANCY	81.31%	88.74%	7.43%	81.31%	88.74%	7.43%	88.17%	92.70%
<b>OTHER INCOME</b>								
5411 Security Deposit Interest	1.35	0.00	1.35	1.35	0.00	1.35	1.39	0.00
5920 Legal Fee Charges-Tenant	0.00	600.00	(600.00)	0.00	600.00	(600.00)	720.00	7,200.00
5921 Maintenance Charges-Tenant	20.00	350.00	(330.00)	20.00	350.00	(330.00)	(25.00)	4,200.00
5923 Late Fee Charges-Tenant	636.68	1,500.00	(863.32)	636.68	1,500.00	(863.32)	1,137.99	18,000.00
5924 NSF Fee Charges-Tenant	0.00	25.00	(25.00)	0.00	25.00	(25.00)	25.00	300.00
5925 Pet Fee Collections	1,304.86	1,470.00	(165.14)	1,304.86	1,470.00	(165.14)	1,875.00	17,640.00
5927 Cable TV Charges-Tenant	61.66	0.00	61.66	61.66	0.00	61.66	0.00	3,500.00
5929 Parking/Garage Income	1,330.00	1,645.00	(315.00)	1,330.00	1,645.00	(315.00)	1,680.00	19,740.00
5930 Water Income	12,443.50	8,314.00	4,129.50	12,443.50	8,314.00	4,129.50	7,455.65	101,826.00
5934 Trash Income	3,164.03	4,013.00	(848.97)	3,164.03	4,013.00	(848.97)	2,970.26	49,144.00
5935 Month to Month	0.00	407.00	(407.00)	0.00	407.00	(407.00)	425.00	4,884.00
5990 Application Fee Income	100.00	375.00	(275.00)	100.00	375.00	(275.00)	375.00	4,875.00
5992 Broken Lease Charges-Tenant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,515.00
5994 Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	415.00
TOTAL OTHER INCOME	19,062.08	18,699.00	363.08	19,062.08	18,699.00	363.08	16,640.29	237,240.00
TOTAL INCOME	275,177.55	298,211.00	(23,033.45)	275,177.55	298,211.00	(23,033.45)	293,206.73	3,741,107.00
<b>EXPENSES:</b>								
<b>PAYROLL EXPENSE</b>								
6220 Marketing Payroll	3,295.62	2,720.00	(575.62)	3,295.62	2,720.00	(575.62)	2,640.01	36,088.00
6310 Office Payroll	2,784.67	4,622.00	1,837.33	2,784.67	4,622.00	1,837.33	4,499.22	47,609.00
6330 Resident Manager Payroll	4,166.32	4,808.00	641.68	4,166.32	4,808.00	641.68	4,526.40	65,611.00
6511 Cleaning Payroll	4,898.86	4,472.00	(426.86)	4,898.86	4,472.00	(426.86)	548.42	58,012.00
6512 Service Payroll	12,685.91	12,018.00	(667.91)	12,685.91	12,018.00	(667.91)	10,154.13	157,758.00
6725 Payroll Processing	123.84	117.00	(6.84)	123.84	117.00	(6.84)	11.58	1,400.00

507 FIRESIDE PARK APARTMENTS  
For the One Month Ending Tuesday, January 31, 2017

6712	FICA	1,951.19	2,078.00	126.81	1,951.19	2,078.00	126.81	1,585.20	27,016.00
6713	FUTA	151.57	163.00	11.43	151.57	163.00	11.43	124.34	336.00
6714	SUTA	841.68	896.00	54.32	841.68	896.00	54.32	621.64	2,244.00
6722	Workers Compensation	849.86	883.00	33.14	849.86	883.00	33.14	554.05	11,431.00
6723	401K/EAP Benefits	163.69	588.00	424.31	163.69	588.00	424.31	219.65	7,658.00
6724	Health Insurance	948.87	3,275.00	2,326.13	948.87	3,275.00	2,326.13	865.06	39,300.00
	TOTAL PAYROLL EXPENSE	32,862.08	36,640.00	3,777.92	32,862.08	36,640.00	3,777.92	26,349.70	454,463.00

FURNISHED APARTMENT EXPENSES

6210	RENTING EXPENSES	1,098.01	2,060.00	961.99	1,098.01	2,060.00	961.99	1,648.00	31,040.00
6265	Advertising/Marketing	261.10	330.00	68.90	261.10	330.00	68.90	264.75	4,290.00
	Credit Reports	1,359.11	2,390.00	1,030.89	1,359.11	2,390.00	1,030.89	1,912.75	35,330.00
	TOTAL RENTING EXPENSE								

6250	SERVICE EXPENSES	0.00	50.00	50.00	0.00	50.00	50.00	9.83	3,250.00
6260	Activities Supply	0.00	0.00	0.00	0.00	0.00	0.00	0.00	300.00
	Activities Contractor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,550.00
	TOTAL SERVICE EXPENSE								

ADMINISTRATIVE EXPENSES

6270	Training	792.96	913.00	120.04	792.96	913.00	120.04	161.03	3,323.00
6311	Office Supplies	604.98	386.00	(218.98)	604.98	386.00	(218.98)	319.10	4,830.00
6312	Dues & Subscriptions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	450.00
6313	Postage	39.63	55.00	15.37	39.63	55.00	15.37	4.73	660.00
6314 + 6301	Computer Expense	1,090.93	1,555.00	464.07	1,090.93	1,555.00	464.07	1,158.74	11,812.00
6315	Bank Charges	124.70	150.00	25.30	124.70	150.00	25.30	198.60	1,800.00
6316	Travel	1,020.60	300.00	(720.60)	1,020.60	300.00	(720.60)	0.00	3,600.00
6317 + 6241	Telephone Expense/DSL Expense	701.19	816.00	114.81	701.19	816.00	114.81	743.75	10,512.00
6320	Management Fee	7,422.65	9,353.00	1,930.35	7,422.65	9,353.00	1,930.35	8,611.47	112,233.00
6340	Legal Expenses	0.00	930.00	930.00	0.00	930.00	930.00	720.00	11,160.00
6350	Auditing Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,158.00
	TOTAL ADMINISTRATIVE EXPENSES	11,797.64	14,458.00	2,660.36	11,797.64	14,458.00	2,660.36	11,917.42	168,538.00

UTILITY EXPENSES

6450	Electricity	967.88	1,985.00	1,017.12	967.88	1,985.00	1,017.12	1,985.05	19,205.00
6451	Water	23,378.75	15,450.00	(7,928.75)	23,378.75	15,450.00	(7,928.75)	13,564.16	201,880.00
6452	Gas	4,000.00	3,800.00	(200.00)	4,000.00	3,800.00	(200.00)	3,121.21	41,985.00
6454	Vacant Unit Electric	619.09	702.00	82.91	619.09	702.00	82.91	286.93	5,245.00
6455	Vacant Unit Gas	500.00	502.00	2.00	500.00	502.00	2.00	638.83	3,747.00
	TOTAL UTILITY EXPENSES	29,465.72	22,439.00	(7,026.72)	29,465.72	22,439.00	(7,026.72)	19,596.18	272,062.00

TURN-OVER (TO) EXPENSES

6501	TO Cleaning Contract	0.00	228.00	228.00	0.00	228.00	228.00	760.70	3,003.00
6503	TO Painting Contract	580.00	2,090.00	1,510.00	580.00	2,090.00	1,510.00	2,592.50	27,685.00
	TOTAL TURN-OVER (TO) EXPENSES	580.00	2,318.00	1,738.00	580.00	2,318.00	1,738.00	3,353.20	30,688.00

507 FIRESIDE PARK APARTMENTS  
For the One Month Ending Tuesday, January 31, 2017

MAINTENANCE EXPENSE

6515	Grounds Supplies	0.00	250.00	250.00	0.00	250.00	225.00	1,000.00
6516	Cleaning Supplies	385.51	300.00	(85.51)	385.51	300.00	547.43	3,600.00
6517	Repairs Supplies	2,549.89	2,000.00	(549.89)	2,549.89	2,000.00	1,950.57	24,000.00
6518	Painting Supplies	0.00	0.00	0.00	0.00	0.00	0.00	250.00
6519	Painting Contract	0.00	0.00	0.00	0.00	0.00	0.00	26,200.00
6520	Exterminating	0.00	620.00	620.00	0.00	620.00	560.00	13,542.00
6521	Grounds Contract	0.00	0.00	0.00	0.00	0.00	0.00	26,610.00
6522	Cleaning Contract	0.00	0.00	0.00	0.00	0.00	110.00	20,500.00
6523	Repairs Contract	1,069.89	1,850.00	780.11	1,069.89	1,850.00	3,760.55	23,300.00
6525	Trash Removal	7,523.44	6,666.00	(857.44)	7,523.44	6,666.00	8,062.10	79,992.00
6535	Protection Contract	0.00	1,400.00	1,400.00	0.00	1,400.00	1,498.30	4,368.00
6546	HVAC Repairs & Materials	495.41	600.00	104.59	495.41	600.00	104.59	7,200.00
6548	Snow Removal/Supplies	3,296.41	7,800.00	4,503.59	3,296.41	7,800.00	4,503.59	20,600.00
6570	Swimming Pool Maintenance	0.00	0.00	0.00	0.00	0.00	0.00	21,870.00
6590	Uniform Service	0.00	0.00	0.00	0.00	0.00	425.80	1,875.00
	TOTAL MAINTENANCE EXPENSES	15,320.55	21,486.00	6,165.45	15,320.55	21,486.00	30,869.04	274,907.00

TAXES AND INSURANCE

6710	Real Estate Taxes	23,513.81	23,514.00	0.19	23,513.81	23,514.00	18,118.31	287,809.00
6720	Hazard Insurance	3,698.67	4,438.00	739.33	3,698.67	4,438.00	4,349.17	54,141.00
6790	Other Taxes, Licenses, and Fees	0.00	0.00	0.00	0.00	0.00	0.00	3,580.00
	TOTAL TAXES AND INSURANCE	27,212.48	27,952.00	739.52	27,212.48	27,952.00	22,467.48	345,530.00

TOTAL OPERATING EXPENSES

		118,597.58	127,733.00	9,135.42	118,597.58	127,733.00	116,475.60	1,585,068.00
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NET OPER INC/(LOSS) - NOI

		156,579.97	170,478.00	(13,898.03)	156,579.97	170,478.00	176,731.13	2,156,039.00
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REPLACEMENTS

6504	TO Carpet/Vinyl Replacement	0.00	0.00	0.00	0.00	0.00	0.00	5,088.00
6505	TO Appliances/Cabinets/HVAC	0.00	0.00	0.00	0.00	0.00	0.00	16,430.00
6593	Carpet/Vinyl Replacement	0.00	0.00	0.00	0.00	0.00	0.00	8,400.00
6594	Appliances/Cabinets/HVAC	0.00	0.00	0.00	0.00	0.00	1,023.21	1,360.00
6571	Maintenance Equipment	0.00	0.00	0.00	0.00	0.00	1,864.61	0.00
6596	Furniture/Fixtures and Equipment	0.00	0.00	0.00	0.00	0.00	0.00	13,500.00
	TOTAL REPLACEMENT EXPENSES	0.00	0.00	0.00	0.00	0.00	2,887.82	44,778.00

NET OPER INC/(LOSS) AFTER REPLACEMENTS

		156,579.97	170,478.00	(13,898.03)	156,579.97	170,478.00	173,843.31	2,111,261.00
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FINANCIAL EXPENSES

6820	Interest-First Mortgage	88,061.35	87,108.00	(953.35)	88,061.35	87,108.00	90,081.05	1,045,302.00
6830	Interest-Third Mortgage	4,263.76	4,264.00	0.24	4,263.76	4,264.00	4,263.76	51,171.00
6835	Interest-Fourth Mortgage	6,933.06	6,933.00	(0.06)	6,933.06	6,933.00	6,933.06	83,197.00
	TOTAL FINANCIAL EXPENSES	99,258.17	98,305.00	(953.17)	99,258.17	98,305.00	101,277.87	1,179,670.00

NET INC/(LOSS) AFTER FINANCIAL EXPENSES

		57,321.80	72,173.00	(14,851.20)	57,321.80	72,173.00	72,565.44	931,591.00
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ADJUSTMENTS TO NET INCOME/LOSS



507 FIRESIDE PARK APARTMENTS  
For the One Month Ending Tuesday, January 31, 2017

6592	R/R Eligible Expenses	7,252.71	3,948.00	(3,304.71)	7,252.71	3,948.00	(3,304.71)	7,106.00	139,395.00
6800	Asset Mgmt/Prtshp Admin Fee	0.00	2,060.00	2,060.00	0.00	2,060.00	2,060.00	2,000.00	24,720.00
	<b>TOTAL ADJUSTMENTS</b>	<b>7,252.71</b>	<b>6,008.00</b>	<b>(1,244.71)</b>	<b>7,252.71</b>	<b>6,008.00</b>	<b>(1,244.71)</b>	<b>9,106.00</b>	<b>164,115.00</b>
<b>DEPRECIATION AND AMORTIZATION</b>									
6600	Depreciation Expense	67,297.30	67,297.00	(0.30)	67,297.30	67,297.00	(0.30)	67,297.30	807,568.00
	<b>TOTAL DEPRECIATION AND AMORTIZATION</b>	<b>67,297.30</b>	<b>67,297.00</b>	<b>(0.30)</b>	<b>67,297.30</b>	<b>67,297.00</b>	<b>(0.30)</b>	<b>67,297.30</b>	<b>807,568.00</b>
	<b>NET INCOME(LOSS)</b>	<b>(17,228.21)</b>	<b>(1,132.00)</b>	<b>(16,096.21)</b>	<b>(17,228.21)</b>	<b>(1,132.00)</b>	<b>(16,096.21)</b>	<b>(3,837.86)</b>	<b>(40,092.00)</b>
<b>CASHFLOW ADJUSTMENTS</b>									
8001	Principal-1st Mortgage	58,153.53	59,106.00	952.47	58,153.53	59,106.00	952.47	56,133.83	709,277.00
8270	Replacement Reserve Deposits	7,434.00	7,434.00	0.00	7,434.00	7,434.00	0.00	6,096.67	89,208.00
8290	Replacement Reserve Withdrawals	0.00	(3,948.00)	(3,948.00)	0.00	(3,948.00)	(3,948.00)	0.00	(139,395.00)
8997	Contra Depreciation/Amortization	(67,297.30)	(67,297.00)	0.30	(67,297.30)	(67,297.00)	0.30	0.00	(807,568.00)
	<b>TOTAL CASHFLOW ADJUSTMENTS</b>	<b>(1,709.77)</b>	<b>(4,705.00)</b>	<b>(2,995.23)</b>	<b>(1,709.77)</b>	<b>(4,705.00)</b>	<b>(2,995.23)</b>	<b>62,230.50</b>	<b>(148,478.00)</b>
	<b>NET CASHFLOW</b>	<b>(15,518.44)</b>	<b>3,573.00</b>	<b>(19,091.44)</b>	<b>(15,518.44)</b>	<b>3,573.00</b>	<b>(19,091.44)</b>	<b>(66,068.36)</b>	<b>108,386.00</b>

# TAB 4



## PUBLIC HOUSING MANAGEMENT REPORT

Period: January 1-31, 2017

### OCCUPANCY

<u>Total PH Units</u>	<u># Vacant – 11/30/16</u>	<u># Vacant 12/31/16</u>	<u>#Move-Ins</u>	<u>#Move-Outs</u>	<u># Vacant – 1/31/17</u>
108	4	3	1	0	2

% Units Occupied as of 1/31/17     98%

% Units Occupied as of 12/31/16     97%

### APPLICATION PROCESSING

# Processed – Unit Assigned/Move-In This Month	1
# Processed - Unit Assigned/Move-in Next Month	2
# Processed – Waiting for Unit Assignment	0
# Processing in Progress/Not Complete	24

#### Comments

*Applicants are continually being processed for future vacancies.*

### VACANT UNIT PREPARATION

<u>#Vacant – 1/31/17</u>	<u>#Units Made Ready</u>	<u>#Units Make Ready in Progress</u>
2	1	0

#### Comments:

List addresses of vacant units end of January:  
507 Bickford Avenue due to fire, 1218 First Street

## OTHER LEASE ENFORCEMENT ACTIVITIES

# Lease Violation Notices    2

# Summons Issued                0

# Writs Issued                    0

Comments:

## EVICCTIONS

# Non-payment of Rent        0

# Other lease violations        0

Comments:

## WORK ORDER COMPLETION

	<u># Incomplete</u> <u>12/31/16</u>	<u># Received</u>	<u># Completed</u>	<u># Incomplete</u> <u>1/31/17</u>
<b>PH units</b>	1	128	127	2
<b>REL P</b>	0	33	33	0
<b>RHE Prop</b>	0	3	3	0

Comments

## PREVENTIVE MAINTENANCE ACTIVITIES:

# TENANT ACCOUNTS RECIEVABLE And RE-EXAM REPORT

## PUBLIC HOUSING

### REEXAMINATIONS

Annual Reexaminations Scheduled (Effective January 1, 2017)	28
Annual Reexaminations Completed (Effective April 1, 2017)	28
Late Annual Reexaminations Completed	0
Late Annual Reexaminations to be Completed	0
Interim Reexaminations Completed	10
PIC Submission Rate as of January 31, 2017	100%

Comments: *None at this time.*

### TENANT ACCOUNTS RECEIVABLE (TARs)

TARs as of 1/10/2017	\$ 15,600.87 (not including delinquent move-outs)
<b>Total TAR balance as of 1/31/2017</b>	<b>\$ 7,519.44</b>
<b>Repayment Agreements Executed</b>	<b>\$ 0.00</b>
# Tenants Delinquent	0
# Summons Issued	0
# Writs Issued	0

Comments: When we entered the delinquent resident in the attorney's new suit system the system did not create a new transaction number therefore no one was sued for January 2017. Those who still have a balance for January are being sued for January and February's rent. One resident moved out removing \$6,094.28 from the delinquency.

## RELP ONE MONTHLY COMPLIANCE REPORT

The undersigned, as the authorized representative of the RELP One, hereby certifies that for the month recorded, (i) the following number of units in the Development were occupied by Lower Income Tenants and (ii) the following number and percentages of dwelling units in the Development were either occupied by Lower Income Tenants or were held vacant and available to such occupancy for all or part of such period:

MONTH: January

YEAR: 2017

Tax Credit Qualified Residents  
100% @ 60% AMI  
(56 Units)

Last Month	55
# Move-Ins	1
# Move-Outs	0
Total Units Occupied	54
# Units Vacant (available)	2
% of Total Units Occupied/Available	96% / 4%

*Jessica Anderson*

*2/8/17*

Signature of Owner's Authorized Representative

Date

## TENANT ACCOUNTS RECEIVABLE (TAR)

### REL P 56 units

TARs as of 1/10/2017                      \$ 9,411.39 (not including delinquent move-outs)

Total TAR balance as of 1/31/2017      \$ 8,159.89 (not including the delinquent move out)

**Repayment Agreements Executed      \$ 0**

# Summons Issued                              0 (for January rent) reprieves were given to five households  
owing less than \$50.00

# Writs Issued                                      0

Comments: When we entered the delinquent resident in the attorney's suit system the system did not create a new transaction number therefore no one was sued for January 2017. Those who still have a balance for January are being sued for January and February's rent.

## RHEP MONTHLY COMPLIANCE REPORT

MONTH: January YEAR: 2017

Last Month	3
# Move-Ins	0
# Move-Outs	0
Total Units Occupied	3
# Units Vacant (available)	0
% of Total Units Occupied/Available	75% / 0%

Please note the vacant unit has been leased as of 2-10-17.

*Jessica Anderson*

*2/8/17*

Signature of Owner's Authorized Representative

Date



## **TENANT ACCOUNTS RECEIVABLE (TARs)**

### **RHEP 4 units**

TARs as of 1/10/2017	<b>\$1,929.80</b> (not including delinquent move-outs) 0
Total TAR balance of 1/31/2017	<b>\$ 1,929.80</b> (not including delinquent move-outs) 0
<b>Repayment Agreements Executed</b>	<b>\$ 0</b>
 # Tenants Delinquent	 <b>1</b>
# Summons Issued	1
 # Writs Issued	 0

Comments: When we entered the delinquent resident in the attorney's suit system the system did not create a new transaction number therefore no one was sued for January 2017. Those who still have a balance for January are being sued for January and February's rent. 722 Garden View was leased on February 9, 2017; therefore the previous tenant's balance of \$3,941.74 is not counted toward the delinquency amounts listed above. However, if the balance is unpaid within the required 90 day it will be sent to collections.

# TAB 5

# CALENDAR YEAR 2017 LEASING, HAP AND ADMIN FEE UTILIZATION

HA Name  
HA Number

Rockville Housing Enterprises  
MD 007

	Unit Months		Unit Months		Over/(Under) Leased	HAP Funding		HAP Cost		HAP Share of		Other	
	Leased (excluding DVP)	Available (excluding DVP)	Leased	Available (excluding DVP)		(excluding DVP)	(excluding DVP)	(excluding DVP)	Fraud Recovery	FSS Escrow Forfeitures	Adj to HAP Reserve		
Jan	358		359		(1)	\$401,165.00	\$	368,028					
Feb					0								
Mar					0								
Apr					0								
May					0								
Jun					0								
Jul					0								
Aug					0								
Sep					0								
Oct					0								
Nov					0								
Dec					0								
	358		359		(1)	\$401,165		\$368,028		\$0		\$0	\$0

Leased Percentage --

99.72%

HAP Utilization --

91.74%

Homeownership Coordinator Report  
By Susan A. Cheney  
February 13, 2017  
For month of January, 2017

Legacy at Lincoln Park, RHE Homeownership, Money Management and Credit Counseling Programs and MPDU Purchases

#### Legacy at Lincoln Park

- The buyers of the townhouse at 153 Moore Dr., after being presented with an additional 2 month delay of settlement request by the seller, decided to allow the purchase contract to expire and requested the return of their earnest money. Because the seller was unable to resolve her future living arrangements, she had had an attorney draft a letter requesting the delay of the settlement again. This request and further delay led the buyers to decide to cancel the transaction and to pursue finding another property.
- Legacy has no for sale or for rent listings at this time.

#### Homeownership, Credit Counseling and Money Management

- The Michael Harris subdivision in King Farm is behind in construction and delivery of homes. There have been delays in getting the utilities set up and approved by the City inspectors. Therefore, the RHE resident under contract to purchase one of the MPDUs there is delayed in her purchase as well.
- There are now 5 RHE residents on the City of Rockville MPDU list approved for purchase. Of these 3 are voucher holders and plan to use the voucher with their purchase. In addition, several RHE residents are actively working on preparations to enable them to become homeowners.

#### Tax Preparation Sessions

- We have firm dates for the free tax preparation days at RHE. They are February 18<sup>th</sup>, March 4<sup>th</sup> and March 11<sup>th</sup> from 10:00 am to 2:00 pm. We have been told that 3 or 4 volunteer preparers will be able to assist each day. For each of our first 2 days more than 15 tax filers have signed up for assistance.



# TAB 6

## FIRESIDE PARK APARTMENTS MONTHLY COMPLIANCE REPORT

As the authorized representative of the Fireside Park Apartments, hereby certifies that for the month recorded, (i) the following number of units in the Development were occupied by Lower Income Tenants and (ii) the following number and percentages of dwelling units in the Development were either occupied Very Low Income Tenants or were held vacant and available to such occupancy for all or part of such period:

MONTH: January YEAR: 2017

	<b>Affordable @ 50% AMI</b>	<b>Affordable @ 60% AMI</b>	<b>Affordable @ 80% AMI</b>	<b>Market</b>	<b>Total</b>
<b>Total Units</b>	<b>10</b>	<b>84</b>	<b>24</b>	<b>118 (includes office)</b>	<b>236</b>
Occupied Last Month 12/31/16	10	83	23	90	206
# Move-Ins	0	1	1	0	2
# Move-Outs	0	0	0	5	5
Total Units Occupied	10	84	24	85	203
# Units Vacant	0	0	0	33	33
<b>% of Total Units Occupied</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>72%</b>	<b>86%</b>
Renewals					

As of 1/31/17-5 units are preleased:

705-302

705-303

711-302

719-301

745-204



## Fireside Park Apartments

### EXECUTIVE SUMMARY

#### ASSET SUMMARY

LOCATION	Rockville, Maryland	REPORT MONTH	January 2017
YEAR BUILT	1961	NUMBER OF UNITS	236

#### CURRENT LEASING STATUS BOX SCORE

	ACTUAL	BUDGET	VARIANCE
OCCUPANCY %	86%	91.5%	5.5%
LEASE %	90%	91.5%	1.5%
AVERAGE MARKET RENT - \$	\$1557	\$1557	\$0.00
AVERAGE MARKET RENT - PSF	\$1.95	\$1.96	\$0.00
AVERAGE MAX RENT - \$	\$1557	\$1557	\$0.00
AVERAGE MAX RENT - PSF	\$1.95	\$1.96	\$0.00
CHANGE IN RENT FROM PRIOR MONTH	<i>Conventional Units \$1270-1bdrm \$1540-2bdrm \$1860-3bdrm</i>		
CURRENT CONCESSION	<i>5% discount for Military, Police, Fire Personnel, and Montgomery County /City of Rockville employees</i>		
CHANGE IN CONCESSION FROM PRIOR MONTH	<i>Prorated move-in concessions after the 15<sup>th</sup> of the month/Jan-\$500 of rent. Resident referral of 750</i>		

#### MONTH'S HIGHLIGHTS

- January 2017, Move In budget 5 actual move-ins 2.
- January 2017 Move out budget 5 actual 5.
- 52 leads and 30 visiting prospects resulted in 14 applications for a closing ratio of 47%.

#### SUBMARKET SNAPSHOT

There are 6 competitors in the surveyed subset. The average market rent in the defined submarket is reported at \$1,670, or \$1.86/sf. Fireside Park's current market rent is \$1,557 or \$1.96/sf. based on Market priced units.

#### SALES & TRAFFIC

Primary sources of traffic for January 2017 were:

- ForRent.com accounted for 0 leads or 0% of traffic.
- Apartment Guide accounted for 1 leads or 02% of traffic.
- Craigslist accounted for 0 leads or 0% of traffic.
- Drive bys-7 leads or 13% of traffic.
- Other (Internet) accounted for 10 leads or 19% of traffic.
- Google accounted for 1 lead or 02% of traffic
- Housing accounted for 1 leads or 02% of traffic
- Agency accounted for 1 leads or 02% of traffic
- Humphrey Website accounted for 0 leads or 0.00% of traffic
- Referrals accounted for 5 leads or 10% of traffic
- Zillow accounted for 3 leads or 06%
- Apt.com accounted for 5 leads for 10%
- Go Section8 accounted for 1 lead or 02%
- Other accounted for 17 leads or 25%

## CURRENT ADVERTISING SOURCES

Complete list of lease sources:

- Firesidepark.com
- Rockville Housing
- Resident referral program (\$750.00)
- Craigslist
- ApartmentGuide.com
- Humphreymangement.com
- Outreach Flyers
- On-line Advertisement-Rockville Chamber of Commerce
- Zillow
- Rent.com
- Apartments.com
- Go Section8
- Apt.com
- Mobile Mini Model

## ADDITIONS TO SOURCES OVER PRIOR MONTH

- GoSection8
- Holiday Special
  - Increase resident referral to 750
  - 500 off January rent

## PLANNED ADVERTISING SOURCES

- Eltiempo (Latino paper)
- Express (metro paper)
- Use of spinner

## TURNOVER

January 2017 Move Out Stats: Budget 5- Actual 5

<b>Reason of vacating</b>	<b>Current Month YTD</b>	
	<b>#</b>	<b>#</b>
<i>Increase in Family Size</i>	0	0
<i>Loss of Job</i>	0	0
<i>Other/Unknown</i>	0	0
<i>Home Purchase</i>	0	0
<i>Relocation for Work</i>	1	1
<i>Considered Rent too High</i>	0	0
<i>Disliked Environment</i>	0	0
<i>Owner Initiated-Non payment</i>	4	4
<i>Relocated out of area</i>		
<i>Death/Medical</i>	0	0
<i>Total Move-outs</i>	5	5

**RENEWALS, RECERTS & RESIDENT RETENTION**

	<i>Current Month</i>		<i>30 Days Out</i>		<i>60 Days Out</i>	
	#	%	#	%	#	%
<i>Total Lease Expirations</i>	15	6 %	15	6%	11	5%
<i>Notices to Vacate</i>	1	7%	1	7%	4	36%
<i>Renewed</i>	14	93 %	14	93%	7	64%
<i>Month to Month</i>	0	0%	0	0.00%	0	0%
<i>Outstanding</i>	0	0%	0	0.00%	0	0%

**DELINQUENCY**

\$55,431-January 2017

**PROPERTY INCIDENTS****MAJOR MAINTENANCE ITEMS AND/OR CAPITAL IMPROVEMENTS**

- RR tie wall replacement

**STAFFING**

- Maintenance tech position vacant
- Community Manager position vacant

**MISCELLANEOUS ISSUES**

# TAB 7

# Internal Control Policy Update

**Rockville Housing Enterprises**  
**Internal Control Policy**  
**Updated ~~July 2016~~ February 2017**



## **Introduction**

Rockville Housing Enterprises (RHE) is a small public housing agency serving the City of Rockville, MD. RHE owns and operates 108 units of Public Housing (PH). RHE administers a Housing Choice Voucher (HCV) Program with a budget authority that supports approximately 450 vouchers also funded by HUD. In addition, the agency routinely applies for and often is awarded a variety of grants to support these programs. The Board of Commissioners establishes policies for the conduct of these programs and grants and the Executive Director directs and monitors the implementation of the Board's policies. The Executive Director reports to the Board monthly.

RHE has three main affiliate entities. RELP One, LLP, through which RHE manages and maintains 56 Low Income Housing Tax Credits (LIHTC). RHE Properties LLC, through which RHE manages and maintains 4 affordable housing units. RHE Fireside Inc. through which RHE owns 263 multifamily units of which 50% is affordable. RHE Fireside Park Inc. is currently managed through a third party property manager.

RHE has established separate accounts for all of the above activities to ensure complete transparency in its financial reporting.

The internal control procedures described in this document have been established to provide reasonable assurance to the Board of Commissioners, RHE management, HUD, and other government agencies, that RHE's operational objectives are being achieved, that financial statements are prepared reliably and that RHE is complying with all laws and regulations governing RHE programs and general operations.

These procedures include three sections: I. Financial Management covering all RHE financial activities; II. HCV Program Quality Control, and III. PH/RAD Project Based Rental Assistance Program Quality Control. IV. RELP Quality Control Procedures.

## **I. Budget and Financial Management**

### **A. Control Environment**

RHE employs between 13 and 15 FTE staff. Among these staff is 1 FTE Accounting/Finance Manager and 1 FTE Accounting/Finance Analyst. RHE accounting staff persons manage and maintain RHE's accounting and payable systems. These staff persons provide in house Accounts Receivable and Accounts Payable functions. The Accounting/Finance Analyst processes and cuts checks and the Accounting Manager prepares the monthly bank reconciliation. This separation of duties provides an



appropriate level of checks and balances on the check issuance and reconciliation process. The RHE Accounting Manager is responsible for maintaining RHE's books of account and producing monthly and annual financial statements as well as various HUD budget and funding request submissions. RHE retains the services of a Financial Consultant (CPA) that provides oversight and review of financial statements and HUD financial submissions prepared.

RHE has adopted both an Ethics Policy and an Anti-Fraud Policy to enforce controls and to aid in the prevention and detection of fraud, theft, waste, or abuse against the agency. At hire and once annually, each employee is briefed on fraud awareness and the policies are reviewed with employee. Each employee must sign an acknowledgement that they have been briefed on both policies.

The Board of Commissioners has established high standards of integrity, ethical values, and competence for RHE staff. The Executive Director and RHE managers have organized staff to ensure that these standards are observed at all times. The Executive Director and Managers provide monthly reports to the Board of Commissioners on all program activities. The Board approves an annual budget and monthly financial statements are provided to the Board to enable the Board to evaluate RHE financial status.

## **B. Risk Assessment**

RHE performs a risk assessment whenever a new program or business activity is initiated or whenever staff reorganization, changes to the automated systems, or government program requirements occur. When such an assessment is conducted, any required changes to control procedures will be made and documented herein and staff will be notified of the change.

## **C. Control Activities**

### **1. Cash Receipts – Tenant Payments**

RHE does not collect any cash receipts. All tenant payments and other receivables are accepted in the form of checks, money orders, cashier's check or ACH deposits only.

- The receptionist/Assistant Property Coordinator receives tenant payments either in the mail or in person. No payments are received on-site at developments.
- Tenant Payments are processed using the following two methods.
  - **Method 1. – Tenmast System Generated Payment Receipt**
    - The tenant payment is entered into the Tenmast tenant account ledger for the tenant submitting payment
    - The receipt for tenant payment is generated by Tenmast and printed out and given to the tenant for a receipt.
  - **Method 2 – Manually Processed Payment Receipt**

- If the Tenmast system is unavailable, A copy of the payment is made.
- The payment copy is date stamped, initialed by the person receiving the payment and the payment copy is given to the tenant.
- A copy of the manually processed payment receipt is retained by the receptionist.
- The Assistant Property Coordinator enters payment data into the Tenmast system in the “Tenant Account Receivable” module to ensure all payments have been correctly entered and accounted for.
- The Accounting/Finance Analyst reviews the receipts, checks, and deposit slips and makes the bank deposit via remote deposit. The Accounting/Finance Analyst provides a copy of the receipts and the authenticated duplicate bank deposit receipt to the Accounting/Finance Manager.
- Deposits other than tenant payments, are received and reviewed by the Executive Director and or the Assistant Property Coordinator who forwards them to the Accounting/Finance Analyst for deposit.
- Receipts generally are deposited daily. However, if this is not possible on any occasion, the receipts are held in a secure location until a deposit can be made.
- The Accounting Manager appropriately posts all receipts.
- The Housing Operations Analyst and Manager of Assets and Maintenance routinely reviews the status of tenant and participant receivable accounts to ensure proper posting.

## **2. Petty Cash**

RHE maintains a petty cash fund of no more than \$300.00 at any given time. The petty cash fund is maintained in a locked file cabinet by the Accounting/Finance Analyst. All expenditures from this fund are supported by receipts. When the fund requires replenishment, the Accounting/Finance Analyst prepares a Request for Check form and submits the request to the Executive Director. The Accounting/Finance Analyst also submits a reconciliation of the petty cash fund to the Accounting/Finance Manager at that time.

## **3. LOCCS Transfers and HUD Electronic Transfers**

The Executive Director is the only staff authorized to access HUD’s Line of Credit Control System (LOCCS) through which RHE requests electronic transfer of HUD grant funds. The Executive Director accesses LOCCS and draws down funds as requested and supported by the Finance Department or as determined by the HUD grant disbursement schedule. The Executive Director monitors the status of the LOCCS portfolio to ensure that funds are obligated and expended according to HUD-established timeframes on a monthly basis.

The Executive Director receives e-mail notification from HUD of any funds transferred to RHE. All electronic receipts are recorded in the accounting system by the Finance

Department and reflected in the fee accountant's monthly financial statements reviewed by the Executive Director.

#### **4. Other Inter - Agency account transfers**

Many times funds are transferred between programs to ensure appropriate cash position for the Agency. Funds transfers can be required as a result of delayed receipt of HUD grant funding for a particular program, delayed receipt of other grant fund reimbursements or transfers purposed to fund the payroll account.

All Inter Agency account transfers must be approved by the Executive Director. A memo detailing the following information must be submitted to the Executive Director prior to the transfer.

1. Date of the funds transfer
2. Reason for the transfer
3. Amount of the transfer
4. Account funds are being transferred from and transferred to

#### **5. Disbursements**

- The Finance Department prepares all disbursements, including HCV HAP payments, and attaches supporting documentation to each disbursement request.
- HCV HAP payments are initially generated through the HCV module of RHE's automated information system that ties into RHE's automated financial system. No HAP payment is initiated unless approved by the HCV Program Manager.
- Supporting documentation for all disbursements is reviewed and approved in advance of disbursement by an authorized manager.
- For vendor and other non-HAP/URP payments, a check run is completed by the Finance Department with all required invoice, or other relevant information attached. Final authorization is obtained from the Executive Director and the Board of Commissioners Chairperson following their review. The Executive Director and Board of Commissioners Chairperson execute the Check Sign Off forms for each set of checks to be mailed.
- Bank accounts are reconciled monthly with the books by the Accounting Department.
- Check registers, invoice listings and bank balance reports are reviewed each month by the Finance Department.

#### **6. Purchases**

- The Asset Manager under the direction of the Executive Director is responsible to ensure that all maintenance and construction related purchasing is conducted as required by RHE's procurement policy.
- Purchases are made by competitive solicitation whenever possible.
- Federal Labor Standards are a required component of procurements when applicable.

- Invoices submitted for payment are reviewed and approved by the Manager responsible for the purchase and are reviewed and approved by the Executive Director and a Board member prior to payment.

#### **7. Receivables**

- Separate accounts are maintained for PH Tenant Accounts Receivable, Developer Fees and other development-related receivables, and RELP One operation receivables.
- RHE's automated system transmits information from the Tenant Processing system for PH, RELP and RHEP program to the accounting system to record receivables.
- Aged Tenant Accounts Receivable are generated monthly and reviewed by the Executive Director and Housing Program Managers.
- Rent collection and repayment agreement procedures are in place to ensure prompt follow up on past due receivables. For RHE managed residents, referrals to court are made on the 11<sup>th</sup> day of each month for anyone who has not paid rent. The Executive Director signs these demands. Termination notices executed by the HCV Program Manager are sent to HCV program participants who have failed to make required payments on repayment agreements.

#### **8. Payroll**

- Employees are paid bi-weekly.
- Each employee is required to record his/her time in the on-line payroll system Payroll Network/Time Force. Employee on-line timesheets are reviewed in the system by the direct manager and the Executive Director.
- The Executive Director reviews and approves the on-line payroll summary and required payroll deposits.
- The Manager of Accounting and Finance reviews the record to ensure that the anticipated direct deposits are accurate. Once the pending payroll has been reviewed the Executive Director processes the payroll in the on-line payroll system.
- The Accounting Department downloads a copy of the direct deposit payroll summary record and ensures that the correct amount is transferred into and withdrawn from RHE's payroll account.
- In the event the Executive Director is unavailable to process payroll the Accounting/Finance Manager will process payroll.

#### **9. Investments**

- At the direction of the Board of Commissioners and as required by the federal government, the Executive Director is responsible to ensure that all RHE accounts are maintained in interest-bearing accounts that are either FDIC insured or are otherwise federally collateralized.
- The Accounting Department maintains a detailed record of each bank or investment account owned by RHE.

- The Board of Commissioners retains the authority to purchase, exchange, or sell investments and securities. The Executive Director promptly reports to the Board any issues or problems related to any RHE bank or investment account.

#### **10. Inventory of Supplies and Equipment**

RHE maintains in the Tenmast software system or on a supplemental spreadsheet data containing all depreciable equipment with the tag numbers attached to each depreciable item, the nature of the item, cost, location, acquisition date, and disposition date.

#### **11. Automated Data/Information Processing**

- Only authorized users may enter data in RHE's system.
- Users are restricted to their area of operations.
- Password security is established on an individualized basis.
- Immediately upon termination of employment a user's access to the system is terminated.
- Only the Executive Director has access to all components of the RHE system.
- Only the Executive Director, Managers and/or other authorized third parties (i.e. auditors or accounting consultants) may transmit data to HUD.
- Only the Executive Director can authorize user access to either the RHE system or to HUD systems.
- The Chairman of the Board of Commissioners must approve the Executive Director's access to HUD's LOCCS funding system.

#### **12. Information and Communication**

- Internal control procedures have been fully documented and shared with RHE staff.
- The Executive Director meets regularly with Managers and at least quarterly with all staff.
- The Executive Director maintains an open door policy and encourages staff to communicate issues and problems related to any weaknesses in RHE procedures to her.
- The Board of Commissioners supports the protection of whistleblowers and encourages RHE employees and clients to present issues and problems directly to them when appropriate.

#### **13. Monitoring**

- The Board of Commissioners reviews financial and program performance reports each month and discusses them at the monthly Board meeting. The Executive Director responds to the Board's comments and answers any questions. The Executive Director also is responsible to implement any Board directives related to financial management and program performance.

- The Executive Director compiles monthly performance reports obtaining data from HUD and RHE systems and reviews the results with Managers at the Manager meetings.
- The Executive Director ensures a high level of productivity by staff by monitoring attendance and timeliness and ensuring that performance evaluations are conducted at least annually and more often if necessary. The Executive Director terminates the employment of employees who are unable to meet performance requirements.
- The Executive Director supervises and participates in a quality control program to ensure that government funded programs are conducted consistent with established requirements. See Sections II and III of these procedures related to the quality control conducted for the HCV and PH programs.

#### 14. Capitalization Policy

The Rockville Housing Enterprises follows the practice of capitalizing most property and equipment which in general, has a useful life of more than one year, and unit value of \$1,500.00 or more. The evaluation of property or equipment, whether purchased or constructed, is based on cost. The cost is determined by the cash distributed, by the fair market value of any asset given in exchange, or by the present value of any liability incurred. If property or equipment is acquired by gift, the valuation is the fair market value at the date of receipt of the gift, if determinable. Otherwise, an appraised value is used.

#### 15. Leasing of Rental Units owned or Managed by Rockville Housing Enterprises or Related Entities by individuals related to RHE staff either by familiar relationships or other close personal relationship.

It is not against RHE Policy to lease a unit owned or directly manage to a family member or close friend of a RHE Employee. However, to avoid any improprieties or the appearance of improprieties, regarding the leasing of a RHE owned or directly managed unit to a relative or close friend of a RHE employee, the following procedures must be followed:

#### Definition of Familiar Relationship

RHE is defining familiar relationships as the following: mother, father, grandmother, grandfather, child, grandchild, aunt, uncle, cousin, spouse, domestic partner, or other significant relationship had with a RHE employee.

1. The RHE employee must inform the Executive Director in writing of any person as defined above who is seeking to lease an RHE owned or directly managed unit i.e (RELP, RHEP, Fireside, PH), or who is applying for the Public Housing or Voucher Waiting List or who is currently on the Public Housing or

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Voucher Waiting List or who is being pulled from the Public Housing Voucher Waiting List.

2. The tenancy approval must be reviewed and signed off by the Executive Director before the tenant is informed of tenancy approval.

3. During the duration of the tenancy the tenant file and tenant account receivable account will be reviewed by either the Executive Director or another person designated by the Executive Director who is not related to the tenant quarterly.

4. Upon Move Out, the tenant file and tenant account receivable ledger will be reviewed by the Executive Director or another person designated by the Executive Director who is not related to the tenant quarterly.

5. Any employee who does not report known familiar relationships with current or future tenants or program participants will be subject to disciplinary actions for violations of this policy, which may include the termination of employment or if fraudulent activities are suspected possible civil or criminal prosecution.

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## **II. Housing Choice Voucher (HCV) Program Quality Control**

### **1. Participant File Reviews**

- The Manager of Assisted Housing Operations maintains a record of all reexamination, admission, rent increase, and other transactions that occur each month. Such transactions average 50-60 per month. The Manager of Assisted Housing Operation conducts a thorough review of a minimum sample of 5% of these transactions each month. At times there may be up to 100% quality control file review. The Quality Control Review is recorded on the HCV Quality Control Log located on the shared drive.
- If any errors are noted, the file is returned to the Specialist for correction.
- The Executive Director completes quality control as needed.
- Both the Executive Director and Manager of Assisted Housing Operations are responsible for analyzing quality control review results to identify performance issues or patterns of errors and to ensure that staff are provided training as necessary.

### **2. Quality Control of Housing Quality Standards (HQS) Inspections**

- Quality control inspections of completed HQS inspection are conducted periodically.
- The inspections are conducted by RHE staff who is a certified HQS inspector or by an HQS Certified inspector other than the person who conducted the initial inspection.
- QC inspections are conducted using the standard HQS inspection form. Any discrepancies in results are shared with the original inspector and corrective actions are taken as needed.
- A record of the QC inspection, the results, and whether corrective actions has been completed is maintained on the Quality Control Log.

### **3. HCV Program Monitoring**

- The Executive Director and the Manager of Assisted Housing Operations routinely review reports generated by RHE's automated data system, e.g., HAP Register, HAP Usage, SEMAP Indicators and take action when necessary to correct deficiencies.
- The Executive Director and Manager of Assisted Housing Operations routinely review delinquency and other reports generated by HUD's PIC system and take action to correct deficiencies.
- The Executive Director and all Managers meet regularly to review progress, to identify issues, establish priorities, and solve problems.
- The Executive Director and the RHE Program Managers prepare reports monthly that are transmitted to the Board of Commissioners.

### **III. Public Housing/Project Based Rental Assistance Program Quality Control**

**1. Tenant Accounts Receivable (TARs)** – see the discussion of TARs in Section I, Budget and Financial Controls, page 4.

#### **2. Tenant File Reviews**

- The Manager of Assisted Housing Operations maintains a record of all reexamination, move-ins, move-outs, and other transactions that occur each month. Such transactions average 2 each month. The Manager of Assisted Housing Operations conducts a thorough review of a minimum sample of 5% of these transactions each month. There may be occasions when 100% Quality Control file reviews may occur. The Quality Control Review is recorded on the Quality Control Log located on the shared drive.
- If any errors are noted, the file is returned to the Specialist for correction.
- The Executive Director completes quality control reviews as needed. The Quality Control of the Quality Control Review is recorded on the PH Program File Review Worksheet and a record of the review is maintained on the Quality Control Log.
- Both the Executive Director and Manager of Assisted Housing Programs are responsible for analyzing quality control review results to identify performance issues or patterns of errors and to ensure that staff are provided training as necessary.

#### **3. Quality Control of PH/Project Based Rental Assistance Unit Condition**

- RHE engages a UCPS certified inspector bi-annually to ensure that all RHE units meet HUD-required standards. Work orders are issued for any maintenance issues identified during these inspections and are addressed immediately.
- The City of Rockville inspects all RHE managed units every two years.
- The Director of Asset Management and Maintenance is responsible to ensure that high quality repairs are completed routinely and that preventive maintenance is employed. All staff is responsible to notify any Program Manager of any issues or problems identified during the course of conducting public housing operations and to ensure that work orders are issued when appropriate.

#### **4. PH/Project Based Rental Assistance/ PBV Program Monitoring**

- The Director of Housing Programs and the Director of Asset Management routinely review reports generated by RHE's automated information system, e.g., Aged Accounts Receivable, Complete/Incomplete Work Orders, Vacancies, and take action when necessary to correct deficiencies.
- The Director of Housing Programs and the Director of Asset Management routinely review delinquency and other reports generated by HUD's PIC system and take action to correct deficiencies.
- The Executive Director and all Managers meet regularly to review progress, to identify issues, establish priorities, and solve problems.
- The Executive Director and the Director of Housing Programs prepare reports monthly that are transmitted to the Board of Commissioners.

# Ethics Policy Update

# **ROCKVILLE HOUSING ENTERPRISES**

## **COFE OF ETHICS AND STANDARDS OF CONDUCT POLICY**

Rockville Housing Enterprises has established standards of conduct for its employees and members of its Board of Commissioners. These standards are designed to assure the utmost in public trust and confidence in the policies and practices of the agency. Because of its status as an independent public corporation, the agency recognizes its responsibility to conduct all business in a manner above reproach or censure. This Code of Ethics will describe in detail the standards by which members of the Board of Commissioners and staff are held accountable:

This code recognized and incorporates those sections of federal, state and local which govern the conduct of public employees, and in no way supplants those provisions of law. In cases where no statutory precedent exists, the policy of the agency shall be applied, except that this policy shall in no way be taken to supersede the provisions of any contracts, labor agreements, or other external agreements affecting the rights and privileges of employees.

The Standards of Conduct contained within Code of Ethics shall be generally applied so as to avoid the appearance, or actual occurrence of, any favoritism or special treatment towards any applicant, resident, vendor, or agent having business, or dealing of any kind, with the Agency. No Commissioner or employee shall use or cause or allow to be used his or her positions to secure any personal privileges for himself, herself, or others, or to influence the activities, actions, or proceeds of the Agency.

Rockville Housing Enterprises, in establishing standards of the conduct for employees and commissioners, recognizes the importance of establishing standards of conduct for external vendors and suppliers products and/or services to the Agency. While the Agency cannot mandate the internal conduct or policies of vendors, it nevertheless requires that vendors and suppliers adhere to certain basic principles in conducting business with the Agency. Specifically, these principles include:

- A. No direct or indirect personal inducement of Agency employees. This includes the giving of gifts, money, tickets or any item or service having value.
- B. No direct or indirect inducement of member of the Board of Commissioners. This shall include the same provisions covering employees, except that it is recognized that in the course of business dealings, there may be times when meals and/or visits may be arranged. In such cases, such events should be reported to the Chairman of the Board, with the nature of the visit explained.

It is expected the vendors or suppliers of professional services of the Agency will be governed by the Code of Ethics to which their particular profession prescribed. Any vendor or supplier found in violation of Agency policy shall be barred from future business dealing with the Agency. The Agency reserves the right to have vendors and suppliers sign a statement of compliance with standard of conduct of the Agency.

## 1.0 TITLE

This shall be called the “Rockville Housing Enterprises Code of Ethics and Standards of Conduct.”

## 2.0 APPLICABILITY

The provisions contained herein shall apply to all employees and the Board of Commissioners of the Agency. With respect to contracted professional services of the Agency (legal, accounting, or otherwise), it is assumed that these professionals will abide by the professional ethics of their particular profession.

## 3.0 PURPOSE

This Code of Ethics establishes standards of employee and Commissioner conduct that will assure the highest level of public service. Recognizing that compliance with any ethical standards reset primarily on personal integrity, and also recognizing in general the integrity of Commissioners and employees, it nevertheless sets forth those acts or omissions of acts that could be deemed injurious to the general mission of the Agency.



## 4.0 DEFINITIONS

“Agent” shall mean any employee of the Agency (whether full or part time) acting in his or her official capacity is an agent of the Agency.

“Claim” shall mean any demand, written or oral, made upon the Agency to fulfill an obligation arising from law or equity.

“Commissioner” shall mean one of the persons serving on the Board of Commissioners of the Agency.

“Contract” Shall mean any obligation to do something arising from an exchange of promises or consideration between persons, regardless of the particular form in which it is stated.

“Conventional” shall mean those housing programs operated by the Agency, which are broadly considered part of the “conventional public housing program.” This shall include but not limited to, such programs as Public Housing and Capital Fund.

“Employee” shall mean any person appointed or hired, whether full or part time, seasonal, temporary, paid or unpaid, on a fixed or unfixed term, provisional or permanent.

“ENROLLEE” shall broadly mean any applicant, resident, or program participant in any program operated by the Agency. Specifically, an “enrollee” shall be a person who expects to receive or receiving, some form of assistance from the Agency.

“Family” shall mean the spouse, father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, Mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half-brother, or half-sister, or a person living in a stable family relationship.

“Interest” shall mean a benefit or advantage of an economic or tangible nature that a person or a member of his or her family would gain or lose as a result of any decision, or action or omission to decide or act on the part of the Agency, its Board or employees.

“Leasing Program” shall mean those programs operated by the Agency that are broadly included within the Housing Choice Voucher Program, Project Based Rental Assistance Program, Low Income Housing Tax Credit Program, and all other affordable or market units

owned by Rockville Housing Enterprises. Unless otherwise noted, the provisions contained herein shall apply equally to both the "Leasing" and the "Conventional" program of the Agency.

"Person" shall mean any individual, corporation, partnership, business entity, association, organization, and may include an Agency employee.

"Public" Information shall be mean information obtainable pursuant to the Freedom of Information Act and Agency guidelines adopted pursuant thereto.

## 5.0 ETHICAL STANDARDS FOR EMPLOYEES

No employee of the Agency shall have any employment, or engage in any business or commercial transaction or engage in any professional activity, or incur any obligation in which directly or indirectly he or she would have an interest that would impair his or her independence of judgment or action in the performance of his or her official duties or that would be in conflict with the performance of his or her official duties.

No employee shall have or enter into any contract with any person who has or enters into a contract with the Agency unless:

- A. The contract between the person and the Agency is awarded pursuant to competitive bidding procedure and/or purchasing policies as outlined in regulations promulgated by the U.S. Department of Housing and Urban Development (HUD), state law and the Agency; or
- B. The contract between the person and the Agency is one in which the Agency employees has no interest, has no duties or responsibilities, or if the contract with the person is one which the Agency employee entered into prior to becoming an employee.

There shall be no preferential treatment given by an employee of the Agency acting in performance of his or her official duties to any person, agency or organization.

No Agency employee shall use or permit the use of Agency-owned vehicles, equipment, materials or property for the convenience or profit of himself, herself, or any other person. However this provision shall not apply in case of usage for "diminutive" purposes, i.e., purposes which in and of themselves should be construed as abuse of Agency property.

No Agency employee shall solicit any gift or consideration of any kind, nor shall any Agency employee accept or receive a gift having value in excess of \$25.00 regardless of the form of the gift, from any person who has an interest in any matter proposed or pending before the Agency.

No agency employee acting individually can bind the housing agency and action or verbal representation.

No Agency employee shall disclose without proper authorization non-public information or records concerning any aspects of the operation of the Agency, nor shall he or she use such information to the advantage or benefit of himself, herself, or any other person. This shall include records maintained on enrollees of the Agency, for whom a properly executed release of information form shall be obtained and kept in the client file. The release of any information relative to enrollees of the Agency shall be done pursuant to government regulations allowing the release of information among government agencies or agencies receiving government subsidy, shall be done following prescribed methods of requesting and transmitting such information, and shall be done with full knowledge of the enrollee except in those cases where through action of law and the enrollee's knowledge is not required.

No Agency employee currently employed shall represent any person, other than himself, in business negotiations, judicial or administrative actions or procedure, to which the Agency may be party.

No former employee of the Agency shall personally represent any person in a matter in which the former employee personally participated while employed by the Agency for one year, in such representation would be adverse to the interests of the Agency. This provision shall not, however, bar the timely filing by current or former employee, of any claim, account, demand, or suit arising out of personal injury, property damage, or any benefit authorized or permitted by law.

No member of the family of any Agency employee shall be appointed or hired to serve under the direct supervision or authority of that employee, and in no event shall any Agency employee participate in the decision-making regarding employment or contract for services of any family member.

No Agency employee shall have an interest in a contract between any person and the Agency, except that this provision shall not apply if the contract was entered into prior to the employee's hire by the Agency; the employee discloses his or her interest in the contract prior to employment; and after employment \, the employee has no power to authorize or approve payment under the contract, monitor performance or compliance under the contract , or audit bills or claims under the contract and the compensation of the employee will not be affected by the contract.

No Agency employee shall have any employment, engage in any business or commercial transaction, or engage in any professional activity in which, directly or indirectly, he or she would have interest that would impair his or her independence of judgment or action in the performance of his or her duties with the Agency or that would be in conflict with hid or her duties at the Agency.

No employee of the Agency shall discuss, vote upon, decide or take part in (formally or informally) any matter before the Agency in which he or she has an interest. Exception shall be made in the case of an employee whose interest in the matter is minimal (e.g. an employee helping decide on a new telephone system owns 100 shares of AT&T stock), provided the employee shall fully and specifically describe his or her interest, writing, and the underlying basis of it whether it be ownership, investment, contract, claim employment or family relationship, to his or her immediate supervisor prior to the employee's participation. If, in the opinion of the supervisor, there is any question as to whether the interest is minimal, the matter shall be referred to the Ethics Review Committee for binding decision on the question.

Any matter decided on, contracted, adjudicated, or any way acted upon by an employee who does not disclose a personal interest either in the matter, or in any person or organization having an interest in the matter, may be considered null and void by the Agency. Such a matter may be referred to the Ethics Review to render judgment and assess any penalties if necessary.

If the Ethics Review Committee renders judgment that a matter was performed; a contract entered into; or any matter was conducted, decided or acted upon in a manner prohibited by the Code of Ethics; it may then propose, among other things, that the Board of Commissioners seek an injunction against the proscribed action.

No person employed by the Agency shall be permitted to participate as a lessor or lessor's agent in the leasing programs. Similarly, no member of the Board of Commissioners in his or her individual capacity shall be lessor or lessor's agent. These prohibitions, however, shall not apply where the employee or Commissioner is a principal in a not-for-profit or charitable, educational, or humanitarian agency or organization that may own or manage housing for rental purposes.

No person employed by the Agency shall be permitted to reside in an income restricted unit owned or directly managed by RHE if they do not meet the income requirements. Unless the residency is a part of the employment agreement as in the case of a live in on-site property manager. If a person employed by the Agency is also a program participant, the Executive Director must be notified by the employee of the program participant status.

## 6.0 ETHICAL STANDARDS FOR COMMISSIONERS

The Board of Commissioners of the Agency is the architect of policy governing the operation of the Agency and retains the legal and fiscal responsibility for the Agency. Recognizing that the commissioners are chosen from the board range of fields and professions and community interest renders difficult the circumscription of external interest and activities of the Commissioners. It is the intent that, insofar as is possible, the members of the Board of Commissioners are generally enjoined to follow the standards of conduct which are outlined in the Code of Ethics for employees. Further, it is expected that a Commissioner will voluntarily and fully outline his or her personal interest and potential conflicts of interest prior to assuming their seat on the board. Such a statement should be submitted to the Board Chairman within ninety (90) days of the Commissioner's appointment. For Commissioners currently serving, such an updated statement shall be developed within ninety (90) days of their re-appointment for a new term. Such a statement shall disclose the following:

- A. The names of any business, organizational, or professional involvement that might reasonably be inferred as having business with the Agency and for which at some point a Commissioner might be expected to vote, legislate, or rule on a matter involving said party.
- B. Any current or past contact in, or interest in, activities or program of the Agency, including, but not limited to, any contracts previously bid and let, familial

relationship with any staff or other board members, or any consultative or professional contracts.

1. No Commissioner shall vote, decide on, or discuss any matter before the Board if that Commissioner has an interest in the matter, except that:
  - a. A Commissioner having interest through a voluntary association with the person or organization may be allowed to discuss the matter.
  - b. If the matter concerns a person or organization with which the Commissioner has a former contact, and that former contact existed either prior to his or her selection, or occurred at least two years prior to the current discussion of the matter, the Commissioner may act freely.
2. No Commissioner may use his or her positions on the Board to intimidate, coerce, persuade or otherwise influence any of the activities or employees of the Agency.

## 7.0 ETHICS REVIEW COMMITTEE

There shall be established an Ethics Review Committee of the Agency.

The purpose of the Committee shall be a review and render decisions on any matters involving ethical conduct, or breach of ethical conduct, by vendors, or commissioners.

The Committee is empowered by the Board of Commissioners to:

- A. Call witness and receive depositions in the performance of duties.
- B. Call for provision of appropriate records, files or tapes relative to the performance of its duties.
- C. Review any records maintained by the Agency, except those records that are considered confidential or personal. However, confidential records may be examined upon execution of a proper release by the subject person.

In performing its duties, the Commissioner may:

- A. Issue rules and regulations consistent with and to clarify the Code of Ethics.



- B. Review any questions concerning alleged or suspected infractions of the Code of Ethics and make recommendations of the Board of Commissioners or Executive Director for further or final actions.
- C. Require financial disclosure or disclosure of any pertinent information by employees, vendors, or commissioners.
- D. Oversee compliance by the Agency with the Code of Ethics and may any other applicable regulations involving ethics.

The Committee shall be composed of three (3) members and one (1) alternate: Board of Commissioners (1), employees (1), and neutral third party (1). The alternate member of the panel shall be party versed in legal/ethical issues, e.g., an attorney not currently serving as counsel to the Agency or an academic authority on ethical issues.

The member of the Committee shall be appointed in the following manner:

- A. The representative of the Board of Commissioners and the neutral third party shall be selected by vote of the Board of Commissioners.
- B. The employee representative and alternate shall be selected by the Executive Director.

Each member of the Committee will serve a three (3) year term. The term may be renewed once. In no case will a person serve more than two (2) consecutive three (3) year terms.

There shall be a chair of the Committee, elected by the member of the Committee. The chair shall serve for one (1) year and may not serve more than two (2) consecutive terms. The Executive Director of the Agency shall serve as a non-voting Secretary of the Committee.

Voting by the Committee shall be simple majority, with the Chair voting as any other member.

The alternate member of the Committee may attend all meetings of the Committee. In case of conflict of interest by committee member, the alternate member will assume the role as voting member of the Committee. The alternate may at any and all times voice opinions regarding the deliberations of the Committee.

The Committee shall, upon receiving a written request from either the Board of Commissioners or and individual associated with the Agency, respond in writing within sixty (60) days after

receipt of the request, unless the Committee determines that additional time is required. If additional time is required, it shall inform the requestor of the approximate time it will be able to render a response.

The Committee shall make reports and recommendations for action to the Board of Commissioners. If the Board finds a recommended action is properly within the purview of the Executive Director or his or her designee, it shall delegate the matter without further Board action.

The legal counsel of the Agency may be involved in the deliberations of the Committee, but he/she has no vote and cannot serve as the alternate committee member.

## 8.0 STARTUP PROCEDURES

Within ninety (90) days of the adoption of this policy, the members of the Ethics Review Committee shall be appointed.

The Board of Commissioner representative and alternate shall initially serve three (3) year terms. The employee representative shall initially serve a two (2) year term. The neutral third party shall initially serve a one (1) year term. This way at least one appointment will expire each year and yet continuity can be maintained.

Within ninety (90) days of the adoption of the policy, the current Commissioners shall file the required disclosure with the Board Chairman.